



COMMONWEALTH of VIRGINIA

DEPARTMENT OF MEDICAL ASSISTANCE SERVICES

600 East Broad Street, Suite 1300
Richmond, VA 23219

February 08, 2007

Dear Prospective Contractor:

The Department of Medical Assistance Services (DMAS) is soliciting proposals from experienced, qualified organizations to assist in the administration of the Medicaid program and Family Access to Medical Insurance Security (FAMIS) program. The selected Contractor will provide the required services for DMAS. Specific details about this procurement are in the enclosed Request For Proposal (RFP) 2007-02. Contractors must check the DMAS web site at www.dmas.virginia.gov or check the eVA web site at www.eva.state.va.us for any addendums or notices regarding this RFP.

The Commonwealth will not pay any costs that any Contractor incurs in preparing a proposal and reserves the right to reject any and all proposals received.

Potential Contractors are asked not to call this office. All issues and questions related to this RFP should be submitted in writing to the attention of FAMISCPU@dmas.virginia.gov, or Janice Holmes, Division of Child Health Insurance, 600 East Broad Street, Suite 1300, Richmond, VA 23219, or by fax at 804-786-9146. In order to expedite the process of submitting inquiries, we request that vendors submit any questions or issues by email in MS Word format to FAMISCPU@dmas.virginia.gov no later than 2:00 P.M. EST on February 20, 2007.

Sincerely,

Christopher Banaszak

Christopher Banaszak, VCO
DMAS Contract Manager

Enclosure

**REQUEST FOR PROPOSALS
RFP 2007-02**

Issue Date: February 8, 2007

Title: FAMIS-CPU

Contract Period: An initial period of three years from date of award, with provisions for three consecutive twelve-month extensions.

All inquiries should be directed in writing via email in MS Word Format to
FAMISCPU@dmas.virginia.gov

or

Janice Holmes
Division of Child Health Insurance
Department of Medical Assistance Services
600 East Broad Street, Suite 1300
Richmond, Virginia 23219

Deadline for submitting inquiries is 2:00 p.m. local time on February 20, 2007

Proposal Due Date: Proposals will be accepted until **2:00 P.M. EST on March 13, 2007.**

Submission Method: The proposal(s) will be sealed in an envelope or box and addressed as follows:

"RFP 2007-02 Sealed Proposal"
Department of Medical Assistance Services
Attention: Christopher Banaszak
600 E. Broad Street, Suite 1300
Richmond, Virginia 23219

Facsimile or email transmission of the proposal is not acceptable.

Note: This public body does not discriminate against faith-based organizations in accordance with the *Code of Virginia*, §2.2-4343.1, or against an Offeror because of race, religion, color, gender, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

A mandatory preproposal conference will be at 10:00am on February 20, 2007 at the Department of Medical Assistance Services 7th Floor Conference Room, 600 E. Broad Street, Richmond, VA 23219. The purpose of this conference is to allow potential bidders/offerors an opportunity to present questions and obtain clarification relative to any facet of this solicitation. Due to the importance of all offerors having a clear understanding of the scope of work and requirements of this solicitation, attendance at this conference will be a prerequisite for submitting a proposal. Proposals will only be accepted from those offerors who are represented at this preproposal conference. Attendance at the conference will be evidenced by the representative's signature on the attendance roster. **Due to space limitations, Offerors will be limited to two representatives each.**

In compliance with this Request for Proposal and to all conditions imposed therein and hereby incorporated by reference, the undersigned proposes and agrees to furnish the services contained in their proposal.

Firm Name (Print)	F.I. or S.S. Number
Address	Print Name
Address	Title
City, State, Zip Code	Signature (Signed in Ink)
Telephone	Date Signed
Fax Number	
eVA Registration Required	eVA Vendor #:
Check Applicable Status _____Corporation _____Partnership _____Proprietorship _____Individual _____ Woman Owned _____ Minority Owned _____ Small Business	

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1 PURPOSE

The Department of Medical Assistance Services (DMAS or The Department) is the single state agency in the Commonwealth of Virginia that administers the Medicaid and State Children's Health Insurance Programs (SCHIP) under Title XIX and XXI of the Social Security Act. DMAS is responsible for the development, implementation, and administration of the Medicaid program and Family Access to Medical Insurance Security (FAMIS) program.

The 1998 Acts of Assembly, Chapter 464, authorized Virginia's Children's Health Insurance Program by creating the Children's Medical Security Insurance Plan for uninsured children under 19 years of age. In August 2001, the program was revised and renamed the Family Access to Medical Insurance Security Plan. The 2005 Appropriations Act directed the DMAS to amend the FAMIS and expand medical coverage to uninsured pregnant women under the FAMIS MOMS program. The FAMIS Program and this RFP are governed by; The Code of Virginia; Virginia State Plan; and 42 Code of Federal Regulations, all available from www.dmas.virginia.gov.

The purpose of this RFP is to solicit proposals from prospective third party administrators who wish to contract with the Commonwealth of Virginia under a fixed-fee contractual arrangement to perform the agreed upon services according to the following statement of needs. The Department is interested in innovative cost-effective solutions to both maintain the current level of operations and enhance the administration of the FAMIS programs. Following evaluations of the proposals received as a result of this RFP, the Department will conduct competitive negotiations. The resultant contract will be for the operation of a statewide call center and eligibility determination services to current and prospective FAMIS/FAMIS MOMS recipients. The Department intends to make a single award as a result of this RFP.

2 DEFINITIONS

Throughout this RFP the following definitions are applicable:

- **ACD system** – Automated Call Distribution system utilized to manage and report all incoming and outgoing calls, and distribute calls to available customer service representatives.
- **ADAPT** – **Agile Data Analysis and Processing Technology** - The automated eligibility determination system used by local Department of Social Services agencies.

- **Business Continuity Plan (BCP)** - provides procedures for sustaining essential business operations while recovering from a significant disruption.
- **CMSIP** – Children’s Medical Security Insurance Program – Virginia’s original SCHIP program replaced by FAMIS in 2001.
- **Connected Cases** - Applicants listed on applications that have siblings or other household members with an active Medicaid case are termed “connected cases.”
- **Contract** - The signed and executed document resulting from this RFP.
- **Contractor** - The entity that is awarded the contract to administer the FAMIS CPU by the Department.
- **Central Processing Unit (CPU)** – The operational center from which the contract is administered.
- **Department** - The Virginia Department of Medical Assistance Services (DMAS).
- **Disaster Recovery Plan (DRP)** – **provides detailed procedures to facilitate recovery of capabilities at an alternate site.**
- **DMAS** – The Virginia Department of Medical Assistance Services – providing a system of high quality comprehensive health services to qualifying Virginians and their families.
- **DSS** – Virginia Department of Social Services– the State agency responsible for oversight and administration to the local social services agencies in the eligibility determination and enrollment in benefit program services.
- **LDSS** – Local Department of Social Services – the one hundred twenty one (121) agencies located across the State of Virginia responsible for eligibility determination and enrollment in Title XIX and Title XXI programs, in addition to other benefit program services.
- **EDD-** Expected Delivery Date – Medically verified projected date of delivery for a pregnant applicant.
- **FAMIS** - Family Access to Medical Insurance Security - Virginia’s SCHIP program covering children under age 19 whose income is $\leq 200\%$ of the FPL guidelines.
- **FAMIS MOMS** – SCHIP program covering pregnant women whose household income is $\geq 133\%$ FPL and $\leq 166\%$ FPL.
- **FAMIS Plus** – Virginia’s Medicaid Program for children under age 19 with household income $\leq 133\%$ of the FPL guidelines.

- **FAMIS Select** – Virginia’s SCHIP premium assistance program for FAMIS eligible children.
- **FFS** – Fee for Service - A health care delivery system whereby Medicaid providers bill directly to DMAS for services provided to Medicaid recipients.
- **FPL** Federal Poverty Level - Income guidelines issued by the Federal government annually.
- **HIPAA** –Health Information Portability and Accountability Act- Federal law that amongst other things, addresses the obligations of healthcare providers and health plans to protect health information. It also gives patients greater access to their own medical records and more control over how their personally identifiable health information is used.
- **Implementation Date** – the target date, as determined by DMAS, on which the successful offeror shall commence operations of the scope of work under this RFP.
- **MCO**- Managed Care Organization_ - An entity that meets the participation and solvency criteria defined in 42 CFR Part 438 and has an executed agreement with the Department to provide services covered under the Medallion II and FAMIS programs.
- **Medicaid** – Federal and State health insurance program for low income individuals, authorized through Title XIX of the Social Security Act.
- **Offeror** - An individual or business entity who makes an offer or submits a proposal in response to this Request for Proposal (RFP).
- **Recipient** – An individual having current Medicaid/FAMIS Plus or FAMIS/FAMIS MOMS eligibility.
- **SCHIP** – State Children’s Health Insurance Program - Federal and State health insurance program for uninsured low income children not eligible for Medicaid, authorized through Title XXI of the Social Security Act.
- **Split Case** - Household members on the same application who are determined to be eligible for different programs are termed “split cases.”
- **State** - Commonwealth of Virginia
- **VaMMIS** – Virginia Medicaid Management Information System - The computer system used to store recipient and provider information, issue benefits and track claims data.

3 SCOPE OF WORK

3.1 Location

The Contractor shall operate the FAMIS and FAMIS MOMS Central Processing Unit (CPU) from an office location in the Richmond Metropolitan area of Virginia that is no more than 20 miles from the DMAS located at 600 East Broad Street, Richmond, VA. The physical location of the Call Center shall be the same as the CPU except in those rare cases approved in advance by the Department, where call overflows are required to support special projects. At a minimum, the CPU site will be a secure site to house the call center, an eligibility unit, electronic and paper beneficiary case records, management information systems and data, and sufficient staff to adequately manage the project. In addition, the Contractor shall provide office space and equipment for fourteen (14) Department staff that will be co-located at the CPU. These state employees will limit their work to eligibility determinations for Title XIX (FAMIS Plus/Medicaid), the Title XXI grandfathered CMSIP cases, Medicaid Pregnant Woman cases, contract monitoring functions, data entry, and other duties as assigned by the Department. All associated support activities for application processing, as defined in this RFP, shall be the responsibility of the Contractor. The FAMIS mailing address, toll-free FAMIS Customer Service number, and toll-free fax number shall be established in such a way that DMAS' continued use of such mailing address, toll-free fax number and toll-free FAMIS Customer Service number shall not be interrupted, impeded or cost DMAS any additional funds should DMAS wish continued use of all or any of the foregoing, in the event the contract is terminated or expires on its own terms. The Contractor shall be responsible for all costs associated with the mailing address, toll-free FAMIS Customer Service number, and toll-free fax number during the term of the Contract as well as for all costs accrued or due and owing as of the date of termination or expiration of the contract, including but not limited to, any taxes, penalties or fines.

3.2 Management Staffing Requirements

The following are required management positions for the successful operation of the central processing unit.

- One (1) Director of Operations dedicated solely to this project and on site, who possesses sufficient authority to provide oversight of the FAMIS central processing unit's daily operations. The Director of operations shall possess, at minimum, a bachelor's degree from a college or university in an appropriate field. The Director of operations shall also possess at least 6 years of management experience in healthcare administration and have equivalent management experience. The person shall further possess direct knowledge of Medicaid and the State Children's Health Insurance Program (SCHIP). Knowledge of the Virginia health care, social service, geographic and demographic environments are preferred.
- One (1) senior systems analyst on site, to oversee all information management systems, development and production of reports and coordination with VaMMIS and other State systems. The senior systems analyst shall possess, at a minimum, a bachelor's degree from a college or university in an appropriate field with an information management focus.
- One eligibility supervisor/manager on site, to provide daily supervision of application processing, eligibility determination and enrollment. This person should possess extensive

knowledge of federal and state eligibility policy and procedures and experience with supervision of staff and workflow management.

- The contractor shall submit a complete organizational chart that will be subject to state approval, reflecting all positions and full time equivalents (FTEs). Supervisory personnel shall be sufficient in number to ensure adequate managerial control of activities and processes required by this RFP. The contractor shall submit the complete organizational chart including line staff and management as specified above, to the State Contract Manager thirty (30) days prior to the implementation of the contract. The contractor shall submit a current organization chart on a monthly basis and obtain state approval for organizational changes prior to implementation of proposed changes.

3.3 Other Recommended Staffing

The following supervisory or specialist positions are strongly recommended for the successful operation of the central processing unit:

- Call center lead/supervisor
- Document management lead/supervisor
- Trainer
- Quality assurance specialist
- Business analyst

3.4 FAMIS Telephone Call Center

This section sets forth the nature, scope and minimum requirements and specifications for operation of the FAMIS telephone call center (Call Center). The Contractor shall perform, at least, the following tasks described in detail below.

3.4.1 Toll Free Customer Service Line

- The Contractor shall maintain a toll-free customer service line dedicated to all FAMIS program applicants, eligible recipients and referrals to the co-located DMAS staff for Title XIX programs.
- The FAMIS customer service line will be capable of handling the expected volume of calls. Based on historical call activity, the annual call volume is expected to be approximately two hundred and four thousand (204,000) inbound calls received and forty eight thousand (48,000) outbound calls per year.
- The Contractor shall ensure staffing levels are sufficient to answer ninety-five percent (95%) of all calls received on an average weekly basis for the yearly volume of calls anticipated. It will be incumbent upon the Contractor to adjust staffing levels during the contract period based upon the anticipated volume of calls on a monthly basis, without additional negotiations or payment from the Department.
- The Contractor shall also maintain a toll-free facsimile (FAX) server line that is available 24 hours a day and remains fully operational at least ninety-eight percent (98%) of the time on a monthly basis. The server should be capable of maintaining a minimum of six (6) dedicated lines for the FAMIS Program and two (2) dedicated lines for co-located DMAS staff. The toll-free facsimile line shall be capable of handling the expected volume of faxes without busy signals.

- The Contractor shall also maintain a toll-free helpline for the DMAS FAMIS Plus Unit. Calls will be routed from the FAMIS helpline to the DMAS FAMIS Plus helpline based upon criteria mutually agreed upon by the Contractor and the Department or directly dialed by the recipient.
- The Contractor shall install and operate a TDD (Telephone Device for the Deaf) or TTY (Tech-Telephone) equipment capable of serving the hearing-impaired. The system shall be capable of tracking all incoming calls and the Contractor shall ensure all calls are handled immediately upon receipt and logged into the FAMIS system.

3.4.2 Hours of Operation

- The Call Center shall be staffed to receive telephone calls from FAMIS, FAMIS Plus, FAMIS MOMS, and Medicaid Pregnant Woman applicants and enrollees during the hours of 8:00am to 7:00pm (Eastern Time), Monday through Friday and 9:00am to 12:00pm Saturday, except Department approved holidays during the Contract period. The following is a list of the Department approved holidays:

Commonwealth of Virginia Holidays
New Year's Day
Lee-Jackson Day
Martin Luther King Day
Presidents' Day
Memorial Day
Independence Day
Labor Day
Columbus Day & Yorktown Victory Day
Veteran's Day
Thanksgiving Day
Day after Thanksgiving
Christmas Day

- Based on call volume and busy hours, the Department may change the hours of operation as mutually agreed upon with the Contractor.
- In the event of emergency closure or delayed openings due to inclement weather, the Contractor shall follow the State government closure announcements for Richmond offices.
- The CPU is expected to maintain operations on any additional holiday closings granted by the Governor, unless approved by the Department.

3.4.3 ACD System Requirements

The Contractor shall use an ACD system on the toll-free customer service line. The original design of the call routing plan and any expansion there of, shall be approved by DMAS in advance. However, the Contractor shall ensure that, at a minimum, the telephone system(s) has the ability to:

- Effectively manage all calls received by the automated call distributor;
- Allow inbound callers the ability to initially select English or Spanish operators from a call routing menu option;

- Quickly and effectively route callers to the next available representative in either the English or Spanish queue within acceptable wait times;
- Provide detailed analysis of the quantity, length and types of calls answered for both English and Spanish calls.
- Provide greeting and educational messages approved by the Department while callers are on hold. The Department may change the messages once a month at no additional cost. Costs for more than one message change per month will be negotiated and mutually agreed to by the Contractor and the Department; and
- Provide call center pre-recorded greetings, initial directory choices and voice mail messages in English and Spanish. Appropriate automated messages shall be activated based upon scheduled shift sets and available agents.

3.4.4 ACD System Reporting

The Contractor shall also maintain an ACD call reporting system. At a minimum, the ACD shall record and aggregate the following:

- Number of incoming calls for both English and Spanish staff;
- Number of calls routed to voice mail box during operating hours;
- Number of calls routed to voice mail box during hours when the office is closed;
- Number of answered calls;
- Average speed to answer;
- Average talk time;
- Available agent hours logged on;
- Number and percentage of calls answered in less than ninety (90) seconds;
- Number and percentage of calls placed on hold and the range and average length of hold times;
- Number and percentage of abandoned calls;
- Range and average length of time until calls are abandoned;
- Call abandonment rate;
- Number of calls routed to specialized groups (internal transfer); and
- Number of outbound calls with average talk times.

DMAS and the Contractor will work together to mutually define and agree upon any other specific available data elements to be included in reporting requirements for purposes of developing call center staffing standards.

The ACD reports shall be maintained daily, tallied and sent to the Department on a weekly, monthly, quarterly, and annual basis in the reporting format specified and approved by the Department. The Department and the Contractor shall mutually agree to any subsequent changes to the approved reports.

3.4.5 Voice Mail

The Contractor shall institute and utilize a Call Center voice mail system for the receipt of incoming calls received after established business hours. The Contractor shall develop, install and maintain a process whereby the after hours phone mail system will have sufficient capacity to allow callers to leave a detailed message. The outgoing message

will be recorded in both English and Spanish and provide prompts to remind callers to leave their name, telephone number, family identification number and the best time to return their call. The Contractor will develop and submit for review and approval, all voicemail scripts prior to implementation. The voicemail system shall also be connected to the ACD system and automatically activate during business hours if all agents are logged off due to an emergency.

The voice mailbox shall be available for after-hours calls only and shall not be used during the Call Center's operating hours without prior approval by the Department except during emergency closures. The Contractor shall return calls left on the after hours voice-messaging service no later than close of business on the next business day following the day the message was left. In the event the caller cannot be reached, the Contractor shall make, at a minimum, one (1) additional attempt to return the call. All incoming voicemail calls and outbound return calls shall be documented in the FAMIS system for tracking purposes and disposition. Voice mailbox calls shall be considered calls received but not answered.

3.4.6 Call Tracking

The Contractor's call center staff shall accurately categorize and document each call with relevant caller information into the applicant/recipient database. See Section 8.2 for detailed functions of the FAMIS System to support the Call Center. This includes all information necessary to complete or update an application, questions and concerns expressed by callers, information given to callers, and relevant case notes in an acceptable and standard format. Staff shall access case information to address callers' questions and concerns and record any answers provided or actions taken. The Contractor may request changes to standard formats and must receive approval from the Department prior to implementation of any changes.

3.4.6.1 The Contractor shall address and resolve applicant and recipient inquiries that are within the Contractor's scope of responsibilities under this contract. Accordingly, the Contractor shall not refer applicant and recipient calls to the Department, an MCO, DSS, or a health care provider if the Contractor staff can appropriately address the inquiry. The Department and Contractor shall work together to define and document general criteria for inquiries that may be appropriately addressed by Contractor staff. The Department and Contractor shall also define and document criteria and circumstances under which Contractor staff may refer applicant and recipient calls to the Department, an MCO, DSS or a health care provider. Designated Department and Contractor managers shall monitor referrals and shall work together to revise and update the criteria as needed on a periodic basis.

3.4.6.2 The Contractor shall maintain a log of incoming calls answered and outgoing calls placed by category. Reports shall be provided to the Department regarding the number of calls requesting:

- new, renewal and re-determination telephone applications;
- application status checks;

- managed care questions,
- verification of insurance status;
- complaints;
- types of outbound calls (i.e., deficient application, annual renewal reminder, voice mail return, etc.); and
- other categories and subcategories mutually agreed to by the Contractor and the Department.

3.4.7 Translation Services

The call center shall also have translation services for all non-English speaking callers. These requirements may be met through an arrangement with a contracted service such as AT&T Language Center in addition to bilingual staff at the CPU. Language Center services shall meet all confidentiality requirements and be available during the Call Center's operating hours. Translation services will be initiated via conference call capabilities through the FAMIS toll free number so that recipients will not have to hang up or redial to access.

The Contractor shall provide a monthly report of calls requiring translation services including the volume and language accessed. The Contractor shall also provide access to the translation service to all DMAS co-located staff.

3.4.8 Insure Kids Now Hotline

The Contractor shall also be responsible for ensuring adequate linkages are in place to receive calls from the Insure Kids Now, a national toll-free number, that routes SCHIP calls to participating states, and to respond to questions regarding the FAMIS programs for Virginian applicants. This line may also be used to support calls under agreements with other sources as mutually defined by the Contractor and the Department.

3.4.9 Staffing Requirements

Professional, prompt and courteous customer service shall be a high priority. Accordingly, the Contractor shall establish and maintain a Call Center staffing level to adequately serve the anticipated volume of callers. The Contractor is expected to maintain adequate staffing levels on a monthly basis and make necessary adjustments based upon anticipated call volume. All costs for staffing adjustments shall be borne by the Contractor. If the cumulative monthly volume of calls answered trends toward exceeding the annual expected volume by more than 10% prior to the fourth contract quarter, the Department and Contractor shall negotiate adjustments prior to the end of the contract year. The Department will provide a schedule of annual campaigns or initiatives which may impact call volume, in advance, as it is known to the Department.

The Contractor should employ strategies to retain experienced full-time staff and minimize reliance on temporary staff in order to maintain call center operations. The Contractor is required to maintain sufficient on site bi-lingual (English/Spanish) speaking staff to adequately serve the volume of Spanish calls received. (Typically 15-20% of total calls.)

The Contractor shall ensure that the telephone staff treat all callers with dignity and respect, and ensure each caller's right to privacy and confidentiality according to all applicable guidelines. The Contractor shall process all incoming inquiries for applications, enrollment, etc., in a timely, responsive, and courteous manner. Staff shall greet callers and identify themselves by name when answering and when ending telephone calls.

3.4.10 Performance Requirements

The Contractor shall employ and train sufficient staff, including management, supervisory and support personnel, to maintain on-site Call Center service levels consistent with the requirements of this RFP. Call Center staff shall have adequate work experience and expertise to perform all contract requirements. Call Center staff should minimally have the ability to multi-task, explain complex program concepts and demonstrate problem solving skills using procedural guidelines. The Contractor shall assure that the Call Center's staffing level is, at least, adequate to fulfill the following performance standards on an average monthly basis:

- All telephone calls shall be answered or placed in queue within two (2) rings;
- Wait time service level shall be sufficient to ensure that an operator will answer 90% of all calls received within ninety (90) seconds;
- Maintain a call abandonment rate of five percent (5%) or less;
- Telephone calls shall be of sufficient length to assure adequate information is imparted to the caller;
- Staff shall be sufficiently trained to provide complete and accurate information to all callers;
- The call center representative will follow the Contractor developed and Department approved scripts and request all information necessary to complete an application, for ninety-five percent (95%) of application calls answered;
- The Contractor shall mail to each prospective applicant, within one (1) business day of the date of contact, a FAMIS Health Insurance for Children and Pregnant Women application packet for all requests received; and
- Telephone applications are to be entered in the system and a family identifier created at the time of the call.

All customer service representatives speaking English and other languages will be monitored by the Contractor to ensure accuracy of information, quality, and good customer service skills.

3.4.11 Customer Service Representative (CSR) Skills

Call Center Customer Service Representatives and other key staff shall, at a minimum, possess the knowledge, skills, and abilities to:

- Successfully complete an approved training curriculum and comprehensive competency test prior to answering any calls;
- Provide specific and detailed FAMIS and FAMIS MOMS eligibility and general benefits and cost information to callers;

- Appropriately refer callers, as instructed by the Department, to the Department's Recipient Help Line, Managed Care Help Line, *Smiles For Children* program, or MCO;
- Provide general information on FAMIS Plus and the Medicaid Pregnant Woman programs based on information provided by the Department;
- Follow Department approved scripts to assist callers in completing FAMIS and FAMIS MOMS applications;
- Refer callers needing assistance with applications screened as FAMIS Plus or Medicaid Pregnant Woman to Department co-located staff at the Contractor's facility or to the appropriate LDSS office;
- Provide callers, referred as Medicaid, general information regarding the FAMIS Plus/Medicaid citizenship and identity requirements;
- Identify complaints using Department approved criteria and make every reasonable effort to resolve caller complaints, refer to supervisory staff as appropriate and document all call details;
- Appropriately advise callers of appeal rights and procedures to file an appeal;
- Provide information to applicants about participating MCOs, and their networks based on information supplied by the Department, and/or the web;
- Assist FAMIS/FAMIS MOMS applicants and enrollees wishing to select or change an MCO;
- Enter customer selection of a MCO and any subsequent MCO selection changes into the FAMIS system and the VaMMIS system;
- Provide accurate information about FAMIS/FAMIS MOMS covered benefits and associated costs and how to access services;
- Check and provide information on the status of a caller's application or eligibility via use of data in VaMMIS and the Contractor's database;
- Provide general information to callers interested in the FAMIS *Select* program, as specified by the Department, and refer callers requiring specific program information to the appropriate FAMIS *Select* unit at the Department;
- Accurately enter all data and appropriately document case notes in the FAMIS system; and
- Maintain confidentiality and comply with all applicable confidentiality and privacy laws, including HIPAA requirements regarding personal health information (PHI), at all times.

3.5 FAMIS System

The Contractor shall maintain an electronic database to support the operations of this contract. See Section 8 for the functionality required of the FAMIS System to support the operation of the Call Center.

3.6 Document Management and Mailroom

The Contractor shall have the following responsibilities concerning all mailroom and Document Management functions:

3.6.1 Inbound Mail

The Contractor shall:

- Date stamp on the date received, with a CPU identifiable stamp, all incoming mail received directly from the US Postal Service or from any other source, including faxes, within one (1) business day of receipt;
- Applications received on state-approved holidays, on weekends, or after 5:00 PM on weekdays, shall be date stamped the next business day, with the exception of the last weekend of the month;
- Applications received on the last weekend of the month, where the next business day is within the following month, shall be date stamped as received on the last business day of the prior month. For example, an application received on Sunday August 31 would be date stamped as received on Friday August 29 rather than Monday September 1, to preserve the potential coverage effective date of August 1;
- Scan all incoming mail into the FAMIS system and link to the appropriate case file within three (3) business days of receipt;
- Enter all application data into the FAMIS system within three (3) business days of receipt; and
- Distribute incoming mail daily to appropriate entities.

3.6.2 Inbound Mail Sorting

All completed applications with the pregnancy indicator box checked “yes” shall be sorted separately from other applications for children. The mailroom will initially screen applications received from all methods to determine if the applicant, or a member of the applicant’s household, is pregnant. The screening will be done by review of Step Two (2) and Step Five (5) on the application. See Exhibit II for the Health Insurance for Children and Pregnant Woman Application. These sorted applications must also be batched and filed separately.

DSS paper transfer cases will be screened for FAMIS MOMS cases by review of the case transfer sheet on top of each file. Case transfer sheets with an indication of FAMIS MOMS or a pregnant applicant will be sorted separately after inbound processing.

3.6.3 Electronic Applications

The Contractor shall utilize appropriate technology to image, link and upload e-application data directly into the FAMIS system thereby eliminating data entry. In addition, the Contractor shall:

- Ensure that an electronic application is considered received by the FAMIS CPU on the date of submission from the applicant and date stamp all e-applications on the date received; and
- Upload all e-application data and assign a family identifier in the FAMIS system within one (1) business day of receipt from the FAMIS website.

3.6.4 Outbound Mail

The Contractor shall:

- Label appropriate outgoing mail as “Return Service Requested”;
- Mail all requests for information, applications, etc., within one (1) business day of the request;
- Mail all FAMIS renewal letters with applications within two (2) business days of the 15th of the month three (3) months prior to the renewal month (i.e. A renewal letter and application for November 30, 2007 would be mailed within 2 business days of September 15, 2007);
- Maintain the ability to produce mailing labels for specific populations contained in the database for large-scale mailings. The Contractor shall provide the Department with an electronic file of the mailing label data in a format approved by the Department. In the event the Department requests that the Contractor produce the mailing labels and send out the mailings, the Department and the Contractor shall mutually agree and negotiate an acceptable price for the requested mailing material;
- For FAMIS MOMS recipients, mail all Newborn application packets 30 calendar days (or the next business day if the date falls on a weekend or holiday) prior to EDD, when possible. In the event a FAMIS MOMS enrollee begins coverage less than 30 days prior to EDD, a Newborn application packet will be generated within 3 business days after the eligibility determination;
- Utilize commercial off-the-shelf (COTS) software to verify accurate mailing address information on all outbound mail and all special mailing files requested.
- The FAMIS system shall be updated with all address changes as well in the VaMMIS system, if appropriate.

3.6.5 Notices

The Contractor shall provide timely and adequate approval, denial, and cancellation notices, which explain the action being taken in regard to an application or an existing program recipient. These notices should be available in both English and Spanish and sent in the appropriate language based on the family’s language preference. The Contractor shall provide the Spanish translation to all Contractor developed materials. Exhibit III lists all letters and notices that must be produced by the Contractor. All approval, denial, and cancellation notices shall be mailed within one (1) business day of any action taken on a family’s application or case. All other form letters or routine correspondence shall be mailed to the applicant on a timely basis, which will generally be the next business day.

This information must be easy to understand and must include the FAMIS CPU toll-free number for families who have questions about their eligibility or enrollment. Certain notices, as designated by the Department, must also contain information regarding appeal and grievance procedures.

The Contractor shall maintain the ability to modify and generate notices and correspondence. The Contractor shall design, produce, and update all necessary communication to support the program, as approved by the Department. The Contractor will determine additional costs for development of new correspondence and receive approval from the Department. All letters, notices, and materials developed by the

Contractor and sent to applicants and enrolled families shall be reviewed and approved by the Department prior to production.

3.6.6 Returned Mail

The Contractor shall also develop procedures for handling return and undeliverable mail, as approved by the Department. The Contractor shall:

- Attempt to verify addresses for all “returned mail”, including searching the FAMIS System and VaMMIS system for a current address. If no new address is found, one outbound call shall be made to the applicant or enrollee to determine the correct mailing address;
- Update the FAMIS system and VaMMIS, as appropriate, if an address change has been reported;
- Re-mail returned mail within one (1) business day of determining a valid address with the exception of renewal postcards, reminder postcards, and renewal packets for recipients with an out of state address. Renewal and reminder postcards and out of state renewals shall not be re-mailed; however, address correction in the FAMIS System is required. Out-of-state addresses will not be updated in VaMMIS, but will be referred to eligibility for cancellation.;
- Returned mail with a place of residence address shown as different from the mailing address in the FAMIS system, such as a post office address, shall be re-mailed to the residence address. One outbound call to the applicant or recipient will be made to attempt to confirm the place of residence address before re-mailing the item.

3.6.7 Returned DMAS FAMIS ID Cards

Returned DMAS ID cards shall be forwarded from DMAS to the CPU for research and handling. The Contractor shall ensure the proper handling of returned ID cards by using the following procedures:

- All ID cards will be date stamped and sorted by whether or not the US Postal Service has provided a valid address on the returned mail item;
- An entry of “returned DMAS ID card” will be placed in Customer Service notes within the FAMIS System;
- If there is no valid address provided, the Contractor will research the FAMIS System and VaMMIS for a reported change of address. If an address change has been reported, the Contractor will update the address to match in both systems;
- If no address change is reported by the US Postal Service and a new address is not found in the FAMIS System and VaMMIS, the Contractor will place an outbound call to the household to verify the correct mailing address. The outbound call will be made to the home and/or work number on the enrollee record on the FAMIS system. If a valid address is identified, the Contractor will update the address in both systems;
- When a new or corrected address is identified, the Contractor will insert the ID card in a new envelope and mail to the enrollee; and
- If the enrollee can not be located by phone, and no new address is found, the Contractor will cancel the case with a reason code of “unable to locate”, following

standard cancellation procedures. The ID card will be retained for 30 days and then destroyed.

3.6.8 Department of Social Services (DSS) Case Transfers

FAMIS guidelines include a no-wrong door policy which allows applications for FAMIS/FAMIS Plus and FAMIS MOMS/Medicaid for Pregnant Women to be received and determined and enrolled at either the FAMIS CPU or LDSS agencies throughout the state. It shall be incumbent upon the Contractor to ensure a seamless transition of cases between the FAMIS CPU and the LDSS agencies by using the following procedures:

- a. The receipt of LDSS transfers shall be handled according to the inbound mail tracking procedures as described in Section 3.6.1.
- b. Develop and implement processes to return non-FAMIS/FAMIS MOMS related documentation contained in LDSS paper case transfer files to the LDSS transferring office;
- c. Input and store case information as received in the same manner as all other applications received with source code representing DSS; and
- d. All LDSS paper transfers shall be scanned and linked to a recipient file in the FAMIS system.

3.6.9 Materials Inventory

The FAMIS system shall include a materials inventory tracking process to ensure the availability and timely dissemination of program materials. A weekly inventory of all FAMIS and FAMIS MOMS printed materials and envelopes shall be maintained by the Contractor. All inventory levels shall be maintained in order to provide adequate notice for the restocking of Department supplied materials.

a. Application Packets

The Contractor shall mail to each prospective applicant, within one (1) business day of the date of contact, a Health Insurance for Children and Pregnant Women application packet in either English or Spanish as appropriate based upon caller's language preference, consisting of:

1. Cover letter;
2. Pre-filled Health Insurance for Children and Pregnant Women application and instructions;
3. FAMIS and/or FAMIS MOMS brochure/flyer;
4. MCO selection chart/list for FAMIS/FAMIS MOMS;
5. Income verification instruction insert;
6. Pregnancy verification form as required;
7. FAMIS *Select* insert;
8. Postage-paid business reply envelope; and
9. Other material approved by the Department and identified in Exhibit III

Changes to the application packet contents with an impact on outbound mail processing productivity, and any related cost changes will be mutually agreed between the Contractor and the Department prior to such implementation.

b. Application Forms

The Contractor shall provide paper application forms to individuals who request an application via the FAMIS Call Center, FAX request, FAMIS website e-mail request, or mailed request. The Contractor shall make available an application on the FAMIS website that can be printed, completed and mailed to the CPU. The Contractor shall also make available an Internet web based e-application form that is submitted electronically to the FAMIS CPU. (Reference Section 8.15.3 FAMIS Electronic Application).

c. Bulk Material Requests

Organizations who request quantities of materials or applications shall be referred to the FAMIS online order form on the FAMIS website.

3.6.10 Postage Invoicing

The Contractor shall track, document and invoice for submission to the Department on a monthly basis all postage costs, including costs from the co-located DMAS staff, incurred for all materials for which the Contractor is responsible for dissemination, as defined in this Contract, Exhibit III. Postage costs shall be a pass-thru expense to the Department without additional allowances or profit.

3.6.11 Storage

The Contractor shall maintain adequate storage capacity to maintain six (6) months of applications and DSS transfer cases received by the CPU (where the scanned image is stored in the FAMIS System system).

Off-site storage will be available at the Virginia State library storage facility. The transfer of records to this facility shall be coordinated with the Department's Records Manager. There will be no cost to the Contractor for off-site storage at the State Library. The Contractor shall not destroy any records without first gaining written permission from the Department. The Department will develop and provide a document destruction schedule to the Contractor.

3.7 Eligibility

This section describes key operational and technical requirements that the Contractor shall meet in establishing and managing the eligibility determination process of the CPU.

3.7.1 Health Insurance for Children and Pregnant Woman application

Eligibility determinations shall be based upon information provided on the approved form entitled Health Insurance for Children and Pregnant Women (Exhibit II). This form serves as a request for benefits under the following programs:

- FAMIS
- FAMIS MOMS
- FAMIS Plus
- Medicaid Pregnant Woman

Determinations of eligibility and the FAMIS system shall follow the policy and procedures as stated in the Title XXI.M21 FAMIS, M22 FAMIS MOMS and Title XIX Medicaid Eligibility Policy Manual found at (www.DSS.virginia.gov).

3.7.2 FAMIS System - Eligibility

The Contractor shall maintain a comprehensive, automated record-keeping system in a rules-based, menu-driven environment, with a user interface and on-line, real-time case and enrollment data updates to support the eligibility and enrollment process. This system is referred to as the FAMIS system. The FAMIS system shall:

- Provide a mechanism to determine eligibility based upon unique program criteria for:
 - FAMIS
 - FAMIS MOMS
 - FAMIS Plus
 - Medicaid Pregnant Woman
- Enroll applicants who meet FAMIS and FAMIS MOMS program guidelines.
- Support DMAS co-located staff who will confirm and enroll all cases eligible for the Title XIX (Medicaid) programs. See Section 8 for the FAMIS System functional details necessary to support eligibility determinations.

3.7.3 Staffing Requirements

The Contractor shall employ and train staff including managerial, supervisory, and other personnel, as appropriate, to perform eligibility determination and enrollment functions consistent with the requirements of this contract, including compliance with performance standards. The Contractor's staff shall have adequate work experience and expertise to perform all contract requirements pertaining to eligibility determination and enrollment. The Contractor shall assure that the eligibility staffing level is at least adequate to fulfill the following performance standards based upon an average monthly volume of 4500 applications received.

3.7.4 Performance Standards

The Contractor shall ensure the following performance standards are met in the processing of all applications received:

- All FAMIS/FAMIS Plus applications will be reviewed and have any deficiencies determined within a maximum of twelve (12) business days of receipt;
- All Pregnant Woman applications will be reviewed and have any deficiencies determined within a maximum of eight (8) business days of receipt;
- All separate verification documents shall be processed within a maximum of five (5) business days of receipt;
- Deficiency letters shall be mailed to the applicant specifying what information is needed to complete the FAMIS/FAMIS MOMS application process within one (1) business day of the determination of the deficiency. Applications referred as FAMIS Plus/Medicaid Pregnant Woman shall have additional deficiencies specific to FAMIS Plus/Medicaid eligibility obtained by the co-located FAMIS Plus unit, including social security numbers and proof of citizenship and identity;

- All complete FAMIS/FAMIS Plus applications shall have an eligibility determination completed and an appropriate referral for FAMIS Plus within a maximum of twelve (12) business days of receipt. A complete application is defined as a signed application with all required documentation necessary to make an eligibility determination for FAMIS;
- All complete FAMIS MOMS/Medicaid Pregnant Woman applications shall have an eligibility determination and an appropriate referral for Medicaid Pregnant Woman completed within a maximum of eight (8) business days of receipt. A complete application is defined as a signed application with all required documentation necessary to make an eligibility determination for FAMIS MOMS;
- Paper DSS transfers will be processed within eight (8) business days of receipt. The DSS case transfers with a pregnant applicant will be given priority processing above all other transfer cases;
- Electronic DSS transfer files shall be enrolled into the FAMIS system within three (3) business days of receipt;
- Eligibility staff shall refer to co-located Department staff applications determined for FAMIS Plus or Medicaid Pregnant Woman programs. In the event FAMIS Plus and/or Medicaid Pregnant Woman eligibility is denied by the Department, and the application is returned to the Contractor for processing, the application and enrollment status shall be updated in the FAMIS system no later than five (5) business days from the date of receipt from Department co-located staff;
- DMAS co-located reversal of FAMIS Plus/Medicaid pregnant woman referrals shall be reviewed by the contractor within one (1) business day of the referral return for corrective action;
- Eligibility staff shall correctly determine eligibility for FAMIS and FAMIS MOMS coverage in ninety-five percent (95%) of processed applications in accordance with Department-approved criteria and information provided by the applicant;
- The Contractor shall verify the health insurance status of 100% of FAMIS enrolled cases with evidence of private or employer provided health insurance. Two attempts will be made to contact the case head by telephone, where available. A message left on an answering machine with a request to contact FAMIS is considered one attempt. All contact attempts shall be documented in the FAMIS System system. If attempts by phone are unsuccessful, the Contractor shall mail an insurance verification form to the recipient and provide a 10 day response timeframe.
- Verification of other comprehensive insurance in force at the time of FAMIS enrollment will result in cancellation of the FAMIS coverage. Any discrepancies shall be reported to the Department on a weekly basis so the Department can take appropriate action; and
- Income and other applicant information shall be verified by accessing the VaMMIS and other electronic sources of data. Such sources of data may be accessed by the Contractor directly from other resources and/or may be made available by the Department. Any Department initiated changes that require the Contractor to access external electronic sources of data will be mutually agreed to regarding costs and methods for such access, in advance of the requirement effective date.

3.7.5 Application Determination Process

All applications received at the CPU will be processed. An eligibility determination will be conducted on all completed applications. A completed application is an application that is signed and contains all required information and verifications. Once these requirements are met, the Contractor shall deem the application “completed” and the FAMIS system shall be capable of recording the date of completion for application status tracking purposes.

3.7.5.1 Initial Screening for Completeness– FAMIS and FAMIS MOMS

At a minimum, The Contractor shall:

- Screen all completed FAMIS/FAMIS Plus applications received in the VaMMIS system for FAMIS Plus enrollment prior to eligibility determination;
- Review application for completeness, including all required information necessary to make a determination of eligibility;
- Make outbound phone calls to obtain missing or to clarify existing information needed to determine eligibility. The Contractor and the Department shall mutually agree upon specific eligibility factors which meet this criteria;
- Document all actions taken, including but not limited to, phone calls, missing information and information provided. The worker shall be required to document specific missing information for each individual in the household. (For example: John Smith missing 9/24 pay stub from Walmart);
- If the application is complete, run rules engine to determine eligibility and enroll in FAMIS or FAMIS MOMS; and
- If ineligible for FAMIS or FAMIS MOMS and eligible for FAMIS Plus/Medicaid Pregnant Woman the case will be automatically referred by the FAMIS system to the FAMIS Plus Unit by way of the FAMIS Plus subsystem.

3.7.5.2 Application Processing Timeline

- The date of receipt of a signed application is the initial date for tracking the application processing time (minimum of 12 days for FAMIS; minimum of 8 days for FAMIS MOMS).
- The first business day following the signed application receipt date is Day One (1) of the processing timeline.
- An unsigned application is incomplete and can not be determined until the CPU has received the signed application page and all required documentation.
- When an application is complete (after fulfillment of identified deficiency) an eligibility determination will be made within five (5) business days following receipt of the required verification.
- The application process will be designed in such a manner as to ensure appropriate actions to approve or deny all applications no later than the 45th calendar day from receipt by the CPU. Referrals to the FAMIS Plus unit will remain in a “pending FAMIS Plus/Medicaid Pregnant Woman” status until a decision is made by the co-located unit.

3.7.6 FAMIS MOMS - Newborn Applications

The Department is interested in ensuring all babies born to FAMIS MOMS are enrolled, as appropriate, as soon as possible following their birth. Therefore, the Contractor shall:

- Newborn Health Insurance for Children and Pregnant Women applications will be generated for each FAMIS Mom enrollee on the 30th calendar day prior to the EDD. If the 30th day occurs on a weekend or non-business day, the application packet will be generated on the next business day;
- The Newborn application packet shall contain a Health Insurance for Children and Pregnant Women application, FAMIS brochure, application instructions, income verification instructions, and postage paid return envelope, as specified in Exhibit III;
- The Newborn application packet cover letter shall clearly indicate the client's response deadline, and include an application form preprinted with information contained in the FAMIS system (e.g., name, address, children in household, case head). The notice shall include information on the importance of applying for newborn coverage within three (3) months of the child's birth month for coverage of the child's birth related expenses;
- The Contractor shall make an outbound call to the applicant 10 calendar days prior to the FAMIS MOMS' EDD, or the next business day if the 10th day falls on a weekend or non-business day. This call will confirm the EDD, update the case record as appropriate, and remind the pregnant woman of the importance of prompt return of the newborn application after the birth;
- In the event the application is not received by the 15th calendar day following the EDD, or the next business day if the 15th day falls on a weekend or non-business day, the Contractor shall make a second outbound reminder call to the family;
- The Contractor shall close the application in the FAMIS system if the newborn application has not been received at the CPU by the 30th calendar day following the application mailing date. No notice will be generated to the family, as no coverage has been provided for the newborn child. The application status will be changed to "closed incomplete" in the Contractor's FAMIS system;
- All application information will be noted in the FAMIS system Customer Service notes, including the dates of outbound reminder calls and the results of any contacts with the applicant family;
- If the application is received by the CPU after the cancellation date, the application will be processed as a new application subject to all FAMIS business rules and program requirements;
- Maintain the ability to override system cancellations or reinstate a child's enrollment once cancelled, upon DMAS approval and instructions;
- Continue to collaborate with the Department to design the most effective steps in newborn application and enrollment notification process; and
- Establish the effective date of coverage for newborns whose date of birth is within the three (3) month period immediately prior to the month the signed application was originally received at either the CPU or a local DSS, as no earlier than the date of birth.

3.7.7 Re-Determination Applications

The Contractor shall re-determine eligibility status based on changes, as determined by the Department. Families are required to report changes to income above 200% FPL. Families must be able to report other changes by calling the toll-free number or sending in written statements or verifications as appropriate. Changes in income require a redetermination application be sent to the applicant and the applicant to provide proof of the income change. Reported address changes only require updating the appropriate systems for in-state changes. Out of state address changes require updating the FAMIS System only (not the VaMMIS system) and cancellation of coverage due to no longer meeting the Virginia residency requirements. FAMIS MOMS newborn applications are considered re-determination applications.

The re-determination enrollment period shall begin on the first day of the month the signed re-determination application was received and end on the last day of the original twelve (12) month continuous enrollment period. The twelve (12) month continuous enrollment period applies to FAMIS enrollees only. FAMIS MOMS coverage ends on the last day of the month in which the 60th day following the EDD or the actual pregnancy end date (if available) occurs.

3.7.8 Re-Applications

Applicants who lose FAMIS or FAMIS MOMS coverage and re-apply within 93 days of the coverage termination date shall be categorized as a re-application. The processing requirements for this category of application are the same as those for new applications.

3.7.9 CMSIP Program

The Contractor shall be responsible for continued eligibility determinations of CMSIP children. Children who were enrolled in CMSIP at the time of FAMIS implementation on August 1, 2001, are enrolled in FAMIS with CMSIP “grandfathered” status. The Contractor shall ensure:

- The FAMIS system automatically tracks all CMSIP designated children with an identifier;
- CMSIP children with a reported change of gross family income above FAMIS maximum income limits, will continue to have their eligibility determined using the previous income counting methodology and budget unit guidelines developed for the CMSIP program (FAMIS Plus countable income rules less disregards) compared to the income limit for CMSIP @ 185% FPL;
- These methods will continue to apply for as long as these children remain continuously eligible for FAMIS;
- In the event of a break in FAMIS coverage, the child will lose their CMSIP grandfathered status;
- A non-renewal cancellation is considered a break in coverage, even if the recipient applies again and is determined FAMIS eligible with no gap in coverage; and
- FAMIS MOMS does not have a grandfathered CMSIP clause and as such these procedures will not apply to FAMIS MOMS applicants.

3.7.10 FAMIS Plus Referrals

The Contractor shall refer all applicants determined as FAMIS Plus or Medicaid Pregnant Woman eligible to co-located Department staff for final determination and enrollment.

The electronic referral shall be completed by a transfer of data from the FAMIS system to the FAMIS Plus Referral Subsystem. (See Section 8.5 for functional requirements of the FAMIS Plus Referral Subsystem.) The Contractor will ensure that the following requirements are met in the referral of applications to the DMAS co-located staff:

- Referrals to the FAMIS Plus unit shall occur the next business day following the FAMIS Plus/Medicaid Pregnant Woman eligibility determination, but no later than the ninth (9th) business day for Medicaid Pregnant woman and the thirteenth (13th) business day for determinations of FAMIS Plus;
- Applications will be referred electronically by utilizing the FAMIS Plus subsystem with all supporting documentation for the determination; and
- Applications will also be referred by paper form and provided to the unit clerk by 9:00am of the business day following the FAMIS Plus/Medicaid Pregnant Woman determination.

a. Split Cases

Household members on the same application who are determined to be eligible for different programs are termed “split cases.” The original application shall be referred to DMAS co-located staff for FAMIS Plus/Medicaid Pregnant Woman evaluation and processing. The CPU will work from the scanned application image to process and determine the applicant’s eligibility for the FAMIS MOMS or FAMIS program.

b. Connected Cases: No Pregnant Applicant

Applicants listed on applications that have siblings or other household members with an active Medicaid case in VaMMIS are termed “connected cases.” The Contractor will initially review each application by searching for information on the applicants on the case in VaMMIS. If an active case is found for children in the same household, the FAMIS application with no pregnant applicants shall be forwarded to the DMAS co-located staff for review and return to the LDSS office servicing the active FAMIS Plus/Medicaid case. (Exception: active SSI (Social Security Income) recipients are considered a separate household and as such active SSI cases in VaMMIS are not handled as “connected cases”.) The Contractor will not take any further action to determine eligibility for the children applied for, pending review and action by the Department co-located staff.

c. Connected Cases: Pregnant Applicant

The Contractor will determine eligibility for Connected Cases if there is a pregnant woman on the application. Applicants determined eligible for FAMIS or FAMIS MOMS will be enrolled in the FAMIS system. The original application will be forwarded to DMAS co-located staff if any applicants are determined to be FAMIS Plus or Medicaid Pregnant Woman.

The DMAS staff will determine, as appropriate, Medicaid Pregnant Woman applicants and return the case to the Local DSS office servicing the active Medicaid case.

3.7.11 Monitoring Family Co-Payment Caps

Each family will be responsible for keeping track of their total co-payments. Once a family has reached their maximum yearly co-payment amount (depending on the family's income level), the family will notify the Contractor and provide proof that their maximum has been reached. The Contractor shall:

- Maintain a list of families that have requested review of their annual co-payment amounts;
- Verify, from documents submitted by the family, that the co-payment cap has been reached for the year;
- Maintain list of families that have reached the maximum family co-payment cap for a 12-month period;
- Ensure that all interested parties are apprised of the fact that additional co-pays cannot be levied, once a family has reached the annual co-payment cap;
- Notify the Department and the applicant when the cap is reached after validation by the Department; and
- Separately track enrollees who are identified on their application as Native American or Alaskan Native. These groups are exempt from any cost-sharing provisions.

The Department is responsible for notifying the MCO and requesting that a new ID card showing no co-payment requirement until the next renewal period be sent to the family. The co-payment tracking period is based on the 12 month continuous enrollment period for the family or case.

3.7.12 Application Workflow Management

The Contractor shall be responsible for ensuring an effective and efficient process for performing all essential functions associated with processing applications. The process shall, at a minimum, include the following:

- An electronic workflow management system shall be utilized to identify the current status of all applications received by the CPU throughout the application process, including DSS transfers. The workflow management system shall ensure all steps within the application processing procedures are completed for each application according to the contractual agreement. (Examples of appropriate statuses include but are not limited to: pending data entry; pending complete; pending deficient; approved; denied; pending referral as FAMIS Plus/Medicaid likely);
- The workflow management system shall be capable of assigning cases for review to designated eligibility staff and tracking completion dates and final dispositions on all applications received and verifications received without an application;
- The workflow management system will track applications referred to co-located Department staff for a Medicaid Pregnant Woman or FAMIS Plus eligibility determination. When Medicaid Pregnant Woman/FAMIS Plus eligibility is

denied due to income, the Department co-located staff will evaluate the application for FAMIS MOMS or FAMIS eligibility. Applications approved for FAMIS/FAMIS MOMS and returned to the Contractor, will be identified by the workflow management system for an expedited enrollment into the FAMIS system no later than five (5) business days from the date of the receipt from Department co-located staff; and

- The contractor shall provide a separate workflow management system to accommodate applications referred to the DMAS co-located staff and assignment of cases to individual FAMIS Plus staff for processing. The Department and the Contractor shall mutually agree upon the design requirements of this system for DMAS staff.

3.7.13 Department of Social Services Transfer Cases

Local DSS Transfer cases will be entered in the FAMIS system. An approved FAMIS MOMS or FAMIS case record can be received from a LDSS office by FAMIS CPU through interoffice mail or electronically. The Contractor will be responsible for providing a secure FTP site for receipt of this file on a daily basis. Specific file format and other data transfer requirements will be mutually agreed upon by the Contractor and the Department.

If received by mail the Contractor shall:

- Stamp the CPU received date on the case transfer cover sheet attached to each LDSS case transfer file within one (1) business day of receipt;
- Prepare two copies of the CPU substitute transfer sheet for cases received with no transfer sheet. One copy will be retained with the case file and the other copy will be returned to the transferring LDSS office;
- Screen for FAMIS MOMS cases by review of the case transfer sheet on top of each file. Case transfer sheets with an indication of FAMIS MOMS or a pregnant applicant will be sorted separately after inbound processing. The DSS case transfers with a pregnant applicant will be given priority processing above all other transfer cases.
- Sort FAMIS MOMS/FAMIS required documents from non-required documents in the DSS transfer file. The Department and Contractor shall work together to define required documents for CPU acceptance of the transferred case; and
- Send files with non-required documents to the originating LDSS with a copy of the transfer form and information regarding why the documents were returned. The Department and the Contractor shall work together to mutually define what information shall be communicated to the LDSS.

If the transfer case is received electronically or paper, the Contractor shall:

- Ensure appropriate data is entered into the FAMIS system to create a case and assign an identifier within one (1) business day of receipt;
- Data enter all remaining application information and enroll into the FAMIS system within three (3) business days of receipt by the CPU;
- Apply the rules based eligibility determination procedures through utilization of the FAMIS System rules engine;

- Verify applicant enrollment in VaMMIS. If the FAMIS system determines case to be not eligible for FAMIS or FAMIS MOMS, and applicant has active FAMIS or FAMIS MOMS coverage in VaMMIS, override the rules engine decision and approve for FAMIS or FAMIS MOMS to match VaMMIS. If the FAMIS system determines applicant FAMIS or FAMIS MOMS eligible and there is no active enrollment in VaMMIS, complete the enrollment in the FAMIS system and the VaMMIS system;
- Forward LDSS case files with missing information required to complete an eligibility determination and cases with active FAMIS Plus coverage, to the Department co-located staff for review and DSS contact. The co-located staff will determine if sufficient information exists to correct the error or deficiency. If the co-located staff can not make the necessary changes, the case shall be returned to the transferring LDSS for correction. The co-located staff will add a Customer Service note to the FAMIS System system documenting the disposition of each transfer case review. Corrected cases with FAMIS or FAMIS MOMS enrollment will be returned to the CPU for ongoing case maintenance;
- Process all complete DSS Transfer cases within a maximum of eight (8) business days of receipt. Completion includes data entry of the case in the FAMIS system, including all household income and other insurance, such that the FAMIS System rules engine can be run to confirm FAMIS eligibility and complete the enrollment status in the Contractor's FAMIS system;
- File the LDSS case transfer files with required documentation in a separate and distinct part of the CPU filing room;
- In the event the Department needs immediate access to a LDSS case transfer file, the Department shall notify Contractor of its request. The Contractor shall research and pull the LDSS case transfer file within three (3) hours of receipt of the Department's request, if the file is located in the CPU. LDSS case transfer paper files stored at the Library of Virginia will be provided expeditiously, based upon Department approved procedures for off-site file retrieval.

3.7.14 FAMIS Eligibility Annual Reviews

The Contractor shall perform eligibility reviews on every FAMIS case at least annually to determine continued eligibility. The Department is interested in developing a cost effective but expedited annual renewal process to maintain optimum retention of eligible recipients. At a minimum, the Contractor shall meet or exceed the current requirements as outlined below:

- The Contractor shall send a renewal reminder postcard approximately ten (10) calendar days prior to sending out the renewal application to inform the family that a renewal application is coming;
- Three (3) months prior to the renewal date (approximately seventy-five (75) days prior to the twelve-month anniversary date) a renewal packet shall be generated and sent to the family. The packet will be sent on the fifteenth (15th) day of the month (or the next business day if the 15th falls on a weekend or holiday). The renewal cover letter shall clearly indicate the client's response

deadline, and include a Health Insurance for Children and Pregnant Women renewal application form preprinted with information contained in the FAMIS system, (e.g., name, address, children in household, case head, etc.). The family shall have forty five (45) calendar days to sign, return and complete the application with required proof of income verification documents;

- The Contractor shall make an outbound call to the applicant on the 25th day of the third (3rd) month or ten (10) calendar days following the mailing of the renewal application, whichever date is later, in cases where the renewal application has not been received at the CPU. In the event the application is not received by the fifth (5th) day of the following month (two months prior to renewal) or ten (10) calendar days after the first outbound call, whichever date is later, the Contractor shall make a second outbound reminder call to the family;
- The Contractor shall automatically cancel coverage if the renewal application has not been received at the CPU by the fifteenth (15th) day of the month prior to the month the coverage ends. For example, the renewal application for coverage ending December 31 must be received no later than November 15 to avoid cancellation. The Contractor shall send an automated cancellation notice to the family;
- The Contractor shall send a deficiency notice to families that submit incomplete applications or fail to provide necessary verifications. This deficiency notice shall explain the specific reason the application is deficient and provide the date by which the information must be received, along with a postage paid business reply envelope. An outbound call shall be placed to any applicant with missing application information that can be obtained verbally. The Department and Contractor will work together to define the specific application deficiencies that can be resolved with verbal information from the applicant. All such information will be noted in the FAMIS System Customer Service notes, including the name of the person who provided the information;
- The Contractor shall also send a reminder follow-up postcard on the first business day of the month prior to the month the coverage ends to those families that fail to respond to the initial deficiency notice. For example, a reminder postcard would be sent November 1 (if a business day) for an incomplete renewal application with coverage ending December 31;
- If the Contractor receives the renewal application on or after the fifteenth (15th) day of the month the coverage is supposed to end, the Contractor shall automatically cancel the coverage and process the application as if it is a first time application for services;
- The Contractor shall maintain the ability to override system cancellations or reinstate a applicant's enrollment once cancelled, upon DMAS approval and instructions.

3.7.15 Contractor Staff Program Eligibility

Given the nature of this public program, the potential exists for Contractor employees or their family members to be eligible for the FAMIS Programs. The Contractor shall ensure that all staff interested in applying for benefits at the CPU file their applications directly

with a Manager and are evaluated for eligibility by the Eligibility Manager. Ongoing case management shall also be performed by a Manager. Management is encouraged to conduct random audits of employee cases to ensure integrity of data and that all employees follow this process.

3.8 Health Care Access Delivery Systems

3.8.1 Managed Care Organizations

The Department maintains a statewide network of Managed Care Organizations for the FAMIS and FAMIS MOMS Programs. There are two different FAMIS health care delivery systems, services are delivered through a contracted MCO health plan or the Department administered fee-for-service program. The city or county corresponding to the locality in which the enrollee resides will determine whether the recipient is enrolled into a MCO or the fee-for-service program.

Pregnant women enrolled in the FAMIS MOMS program may elect to retain their current health care provider if they are in the last trimester of their pregnancy at the time of enrollment into FAMIS MOMS program. This exception does not apply to an enrollee in FAMIS who may be pregnant. The health care provider must agree to accept Virginia Medicaid reimbursement rates and enroll as a provider with the Department to file claims for services. The FAMIS MOMS recipient must be enrolled in a health plan available in her locality. Upon request for an exemption to receive services from an out-of-network provider for continuity of care, the Department will work directly with the Managed Care Organization (if appropriate) to obtain an out of network referral. This referral will be valid through the duration of the pregnancy and for immediate post partum care.

3.8.2 Areas Served by MCOs

Most localities in the Commonwealth are served by one or more MCOs. In localities served by more than one MCO, an enrollee shall have a choice of preferred MCO. In localities served by only one MCO, enrollees shall be enrolled into that health plan. FAMIS children enrolled in a MCO receive a comprehensive health benefit package similar to private health insurance plans and are responsible for limited co-payments for some medical services. FAMIS MOMS receive the Medicaid benefit package. Pregnant MCO enrollees are not charged a co-payment for services. Enrollees may change their MCO for any reason within the first ninety (90) days following their MCO enrollment effective date. As of the ninety first (91st) day of MCO enrollment, the enrollee is “locked in” to the MCO until 12 months from the FAMIS enrollment effective date. The Department may consider a change in MCO after the initial 90 day enrollment period upon receipt of a written request from the enrollee.

3.8.3 Areas Served by Fee-For-Service

Certain localities may not have a FAMIS MCO available. In these localities, the FAMIS or FAMIS MOMS enrollee can access health care services from any Department approved Virginia Medicaid provider. The provider bills the Department directly for the covered services. In these localities, enrollees receive the same benefits as Medicaid recipients and are not responsible for co-payments. However, they will receive substance abuse services available under FAMIS.

3.8.4 MCO Comparison Charts

The Contractor shall mail to prospective applicants residing in localities served by one or more Managed Care Organizations, within one (1) business day of the date of applicant contact, a FAMIS application packet as described in Exhibit III. The Department is responsible for maintaining and updating the MCO comparison chart and for creating and providing the Contractor with the program brochures for mailing.

The Contractor shall mail to prospective applicants residing in localities not served by a Managed Care Organization, within one (1) business day of the date of contact, a FAMIS/FAMIS MOMS application packet as described in Exhibit III, excluding the MCO Selection Chart.

3.8.5 Assisting FAMIS and FAMIS MOMS Enrollees with MCO Selection

Contractor staff shall be knowledgeable of the MCO and fee-for-service benefit packages and the associated co-payment requirements. The Contractor shall provide information about participating MCOs, required co-payments, MCO covered services, how to access services, and FAMIS and FAMIS MOMS benefits, based on information provided by the Department.

Contractor staff shall be able to answer caller questions regarding the service areas for each MCO and provide the MCO member customer service phone numbers for each health plan and Managed Care Help Line contact information.

If an enrollee resides in a fee-for-service area, the Contractor's staff shall have immediate access to a current listing of fee-for-service Medicaid providers through the Department website. The Contractor shall assist callers with a maximum of three (3) names and contact information for providers in their area.

In the event that the Department changes benefits or co-payments in either delivery system, or health plans change service areas, the Department shall provide the Contractor updated information prior to implementation and the Contractor will ensure that CPU staff use the current information when responding to callers. Changes to benefits and co-payment requirements that impact the FAMIS system or business processes shall be discussed and mutually agreed by the Department and the Contractor prior to implementation of such changes.

3.8.6 Confirmation Packet

Once an applicant is enrolled in FAMIS or FAMIS MOMS, the Contractor shall mail a confirmation packet, as identified in Exhibit III. The packet will contain a letter specifying the enrollment effective date, annual renewal date (if applicable) and coverage termination date, the family and income status changes reporting requirements, the name of the selected MCO or instructions for selecting an MCO, and an MCO comparison chart, if necessary.

The CPU shall not be responsible for providing to health plan enrollees the plan membership package that includes the MCO membership card, MCO provider directory, and MCO evidence of coverage.

The Department, via its fiscal agent, shall be responsible for providing all enrollees with a DMAS Enrollee ID card . The Contractor will accept and process requests for replacement DMAS Enrollee ID cards through the VaMMIS system.

3.8.7 MCO Provider Data

The Contractor is required to upload the provider listing information received from the MCOs into the FAMIS system. In the event database and other system modifications are required to support the upload of the provider listing information, the changes shall be negotiated and mutually agreed by the Department and Contractor.

3.8.8 Enrollment Processing

- a. The Contractor shall enroll eligible FAMIS and FAMIS MOMS recipients into the appropriate health care delivery system for their locality (i.e., MCO or fee-for-service).
- b. An enrollee can indicate their preferred MCO on the original application or by calling, faxing or mailing their MCO choice to the CPU following notification of their enrollment in FAMIS or FAMIS MOMS.
- c. The Contractor shall ensure that when a recipient contacts the CPU via mail or fax to enroll with a MCO or change a MCO, the CPU staff shall:
 - Access recipient information in the FAMIS system and record MCO selection;
 - Access the VaMMIS system and enter the appropriate MCO enrollment segment, following MCO enrollment procedures.
 - Inform the recipient of the effective date of MCO enrollment if the contact occurs via telephone. The Contractor shall also provide this information via the confirmation letter upon enrollment into FAMIS. A request for enrollment into an MCO received by the 16th day of the month, or the last business day prior to the 16th of the month, will be effective as of the first day of the following month. A request for enrollment received after the 16th day of the month, will be effective as of the first day of the second month following the request.
 - The Contractor shall enroll the recipient into the designated MCO plan within the FAMIS system immediately upon verification of eligibility to be effective with the next available enrollment cycle. If a recipient notifies the Contractor of the change, the Contractor shall make the appropriate correction in the FAMIS system and the VaMMIS system in accordance with Department policy.
 - If the Contractor does not receive an initial MCO selection request from the recipient by the 17th of each month, or the last business day prior to the 17th of the month if it falls on a weekend, the Department shall auto-assign the recipient to an MCO.
 - If a recipient notifies the Contractor of a change, the Contractor shall make the appropriate correction in the FAMIS system in accordance with Department policy.

- At a future date and when authorized by the Department, the Contractor shall establish procedures to receive monthly reports from FAMIS MCOs that include, at a minimum, recipient address changes, third party liability (TPL) information, deaths, newborn births, and other data that may impact recipients' eligibility. If a recipient moves from one locality to another locality and is required to enroll with a different MCO because of the move, the current MCO must provide information to the CPU via fax or mail. The Contractor shall enter the updated address information into the FAMIS system. The Department, the Contractor, and the MCOs shall agree upon the frequency, format, and transmission method of the monthly reports, in accordance with HIPAA guidelines.
- When cancellation of coverage is recorded in the Contractor's FAMIS system, the Contractor shall cancel the case in VaMMIS on or before the 16th calendar day of the month or other required cut-off date for the month. Requests received after the cut-off date will be processed with the next month's cycle. Unless otherwise specified by the Department, all cancellations are effective as of the last day of the coverage month.

3.9 FAMIS Enrollment Ongoing Case Management

The Contractor's system shall be flexible enough to handle specified changes in family circumstances that may occur throughout the year. The FAMIS system shall also be flexible and capable of handling a variety of enrollment changes and disenrollment situations upon completion of a re-determination or an annual renewal. In each situation, the Contractor shall send a notice to the family informing them that coverage will end as of a particular date.

3.9.1 Re-determination Disenrollment

Reported changes (re-determinations) that require disenrollment action shall be specified by the Department, and include, but are not limited to:

- Child turns age nineteen – disenrollment is effective the last day of the month in which the child turns age nineteen, unless the age change takes place on the first day of the month. In that instance, the disenrollment shall be effective as of the last day of the prior month;
- Death of an enrollee – disenrollment shall be effective on the date of death;
- Enrollee has relocated out of state – disenrollment is effective as of the last day of the month if notification is received prior to the 15th day of the month. If notification of the out of state residence occurs after the 15th day of the month, the disenrollment shall be effective on the last day of the following month;
- Medicaid Pregnant Woman/FAMIS Plus enrolled – disenrollment in FAMIS or FAMIS MOMS shall be effective on the last day of the month prior to the effective date of enrollment in the Title XIX program;
- Involuntary requests – disenrollment shall be processed as directed by the Department; and
- Over FAMIS income limit – disenrollment shall be effective as of the last day of the month in which the redetermination of eligibility is completed, if determined on or before the 15th of the month. If the redetermination is

completed after the 15th of the month, disenrollment shall be effective on the last day of the following month.

3.9.2 Renewal Disenrollment

Renewal disenrollment situations include, but are not limited to the following situations. Unless otherwise directed by the Department, renewal disenrollments shall be effective on the last day of the current eligibility period:

- Child turns age nineteen;
- Active comprehensive other insurance coverage ;
- Change in income (above or below the FAMIS income limits);
- Child becomes an inmate in a public institution;
- Child is admitted to an Institution for Mental Diseases;
- Child moved out of home;
- Death of a child;
- Family has relocated out of state;
- Change in immigration status;
- DMAS or DSS request;
- Non-cooperation with FAMIS Plus; and
- Data match with VaMMIS indicates dual enrollment in FAMIS Plus and FAMIS.

3.10 FAMIS Select

FAMIS *Select* is a voluntary program permitting FAMIS enrollees to participate in employer-provided health insurance or private health insurance. FAMIS MOMS enrollees do not have access to participation into the FAMIS *Select* Program. If an enrollee chooses to participate in the FAMIS *Select* program, the Department will reimburse the enrollee up to \$100 per month, per child approved for FAMIS. The Department will not pay in excess of the actual employee health insurance premium. For instance, if the family has three (3) children enrolled in the FAMIS program and they want to participate in health insurance offered by an employer, the Department would pay the family up to \$300 per month towards the employee's cost of the health insurance. However, if the total monthly employee cost for health insurance was \$275, the Department would pay the employee a maximum of \$275. The Department will manage the FAMIS *Select* program, including application processing, enrollment, and premium assistance payments.

3.10.1 FAMIS Select Referral Process

The Contractor staff shall:

- Coordinate closely with the Department to ensure smooth transitions between FAMIS and FAMIS *Select* components including enrollments, changes, cancellations, and renewals.
- Be able to answer general questions regarding the FAMIS *Select* program;
- Refer callers needing more information to the DMAS FAMIS *Select* Coordinator;
- Include an indicator in the FAMIS automated system that notates a family's inquiry and/or a referral made to the Department;
- Send a report of FAMIS recipients who have expressed an interest in FAMIS *Select* or have requested materials, to the Department FAMIS *Select* Coordinator;

The Department and the Contractor shall work together to define and document processes to communicate requests from callers for FAMIS *Select* information and materials. DMAS shall be responsible for mailing out the requested materials to callers.

3.10.2 FAMIS *Select* Enrollment Process

- FAMIS eligible children with access to FAMIS *Select* will be initially enrolled with a FAMIS MCO or into fee-for-service because enrollment into an employer's plan may take several months, depending on the plan's open enrollment period.
- Once a child is enrolled in FAMIS, the family will be notified of the FAMIS *Select* program if they have requested additional information.
- The Contractor will answer general questions from callers about the FAMIS *Select* program and will refer any FAMIS recipient with specific or detailed questions on the FAMIS *Select* program or application process to the Department.
- The Department will provide sufficient information to the family to make an informed decision on whether or not to participate in the FAMIS *Select* program.
- The Department and the Contractor shall coordinate enrollment and eligibility information. For example, the Contractor shall notify the Department so that the Department can stop the premium assistance payments if a child becomes ineligible for FAMIS. This notification will come via the monthly FAMIS *Select* enrollment report produced by the Contractor to notify the Department of discontinued FAMIS enrollment.
- Upon request by the Department, the Contractor shall provide the Department with a copy of the family's most recent application, if not available thru online access to the FAMIS system.
- The Contractor shall provide a mechanism to document in the FAMIS system when a caller expresses interest in the FAMIS *Select* program. The Contractor shall generate weekly reports regarding the number of callers expressing interest in the FAMIS *Select* program.
- The Contractor shall work with Department staff to reconcile FAMIS *Select* enrollment information monthly. The Department will provide a monthly report to the Contractor. The Contractor shall reconcile information on the report to data in the FAMIS system and shall enter updates into the FAMIS system as needed.
- The Contractor shall provide a monthly report to the Department's FAMIS *Select* Coordinator that identifies changes in eligibility or enrollment status (e.g., cancellations, or an increase in family size) for cases with a FAMIS *Select* indicator.
- The Contractor shall provide a FAMIS *Select* Referral report to the Department in order for the Department to coordinate FAMIS and FAMIS *Select* eligibility and effective dates.

3.10.3 FAMIS *Select* Department Responsibilities:

- Mail FAMIS *Select* application to families with FAMIS enrolled children who have expressed an interest in FAMIS *Select*.
- Answer questions on FAMIS *Select* program and assist with the FAMIS *Select* application process.
- Notify applicant and the Contractor of FAMIS *Select* approval, and effective FAMIS *Select* coverage date.
- Verify continued participation in the employer's health insurance plan and enrollment in FAMIS.
- Disenroll clients from FAMIS *Select* component that do not submit verification, and notify the Contractor.
- Provide the Contractor with a list of verified enrollment changes for FAMIS *Select* on a monthly basis.

3.11 Complaints and Appeals

3.11.1 Complaints

It is the responsibility of the Contractor to assist callers and applicants with questions and concerns regarding the FAMIS program. If a caller or applicant expresses concern or dissatisfaction with any element of FAMIS/FAMIS MOMS or the operation of the CPU, staff will attempt to resolve or rectify the situation to the caller's satisfaction. This includes complaints received through the call center, mail or the FAMIS website.

The Contractor shall maintain a log of complaints received by category, as defined by the Department, to include all actions taken, communication and final resolution of each complaint. Contractor staff shall document customer complaints and any information or resolution provided, by recording comprehensive case notes using a standardized format. Each complaint shall continue to be tracked on a daily basis until a final resolution is recorded. This information will be reported to the Department in the weekly Operations report.

All requests from recipients for escalation of concerns to management or to speak directly with a supervisor shall be referred to management immediately and the customer contacted by management as soon as possible, but not to exceed one (1) business day of the call receipt.

3.11.2 Appeals

FAMIS Enrollees have the right to appeal adverse decisions to the Department as described in 12VAC30-110, *et seq.* The Contractor must notify the enrollees of their right to appeal to the Department and the fact that enrollees have the right to appeal directly to the Department in writing for a State fair hearing and provide the Department's address for the appeals. Contractor management staff shall represent the FAMIS program in review hearings conducted by the Department's Appeals Division staff regarding appeals of FAMIS and FAMIS MOMS eligibility and enrollment decisions made by Contractor staff. Upon receipt of notification of an appeal by the Department, the Contractor shall research cases scheduled for a review

hearing, prepare necessary documentation, case summary, and participate in the hearing. All documentation must be prepared and submitted by the timetable identified by the Department's Appeal staff and copies provided to the DMAS Appeals Division and the DMAS Contract Monitor. The Contractor shall coordinate with the DMAS co-located staff as needed for summarization of actions taken. Cases scheduled for a review hearing shall be reported in a pending case log maintained by the Contractor. Appeal hearing issues and outcomes shall be reported to the Department on a monthly basis, in a format mutually agreed upon by the Department and the Contractor. Complaints regarding medical services obtained through an MCO will be referred to the MCO with whom the recipient is enrolled, or if in a fee – for – service area the caller will be referred to the Department's recipient helpline.

The Contractor shall attend and defend the Contractor's decisions at all DMAS appeal hearings or conferences, whether informal or formal, or whether in person or by telephone, or as deemed necessary by the DMAS Appeals Division. Contractor travel or telephone expenses in relation to appeal activities shall be borne by the Contractor. Failure to attend or defend the contractor's decisions at all appeal hearings or conferences shall result in liquidated damages of \$100 per calendar day for each day that the hearing or conference is delayed as a result of the Contractor's noncompliance.

3.11.3 Contractor Appeal Activities

The Contractor shall perform the following activities within specified timeframes to support the Department appeal process for FAMIS and FAMIS MOMS cases:

- Respond to requests for denial and cancellation letters (e.g., conduct research, reprint letters, fax and/or e-mail letters adhering to HIPAA guidelines, and create manual letters as required) within specified timeframes;
- Record all Appeal activities in an Appeals database for tracking purposes. This database shall be a component of the FAMIS system with access provided to the Department;
- Respond to requests for scheduling hearings (e.g., set up meeting request, e-mail response) within requested timeframes;
- Research appeal case (pull applications, verifications, and correspondence from appellant case files; pull FAMIS and FAMIS MOMS letters sent to family; make outbound calls to appellant if necessary);
- Respond to e-mails and general correspondence from Appeals Unit staff, in a timely manner;
- Re-determine case as appropriate to ensure correct policy and procedures were initially followed;
- Resolve the appeal administratively if possible and enroll or reinstate coverage if appropriate;
- Prepare appeal case summary – write up summary, mail to appellant, fax copy to Appeals unit, within specified timeframes;
- Represent FAMIS CPU at appeal hearings
- Submit a summary of appeals activity on a monthly basis to the Department.

- Follow all directives from Appeal Officer's decisions as received and within the specified deadlines.

3.12 Procedures Manual

The Contractor shall develop, update, and maintain an operations procedure manual detailing all procedures to be used in carrying out the functions of the CPU. This manual shall be supplied to each Contractor CPU employee and three (3) copies supplied to designated Department staff.

The Contractor shall incorporate modifications required by the Department within ten (10) business days of notification. The operations procedures manual shall be updated prior to the implementation of any operational changes. The Department shall be advised of all updates to the manual before they are distributed.

The operations procedures manual shall include, but not be limited to scripts and procedures for Call Center, Eligibility, Mailroom, Document Management, and reporting activities. The manual shall also establish workflows for referrals among all CPU and on-site Department staff.

The Procedures Manual shall be developed by the Contractor and approved by the Department 30 days prior to the Contract implementation date.

3.13 Training Plan

A detailed, comprehensive training plan for both new and continuing employees shall be submitted to the Department for approval annually. The plan should incorporate regular refresher training modules, to ensure staff have a clear understanding of new program changes. The Contractor shall submit the initial Training Plan within sixty (60) days of Contract signature for review and approval. Modifications to the training plan shall be submitted for approval upon revision of existing training modules. The Contractor shall designate a qualified staff person as the Training Coordinator.

3.13.1 New Employee Training

The Contractor shall develop, maintain, and provide a training program approved by the Department, for all new employees. The new employee training program shall be developed to provide a minimum of 80 hours classroom training prior to release into the production environment. Completion of the employee training program shall be required for all new CPU employees (as appropriate to the position) and shall:

- Be both written and hands-on;
- Include a customer service component;
- Equip new staff with the knowledge and skills required to be effective in their positions;
- Emphasize the nature of their work and the need for confidentiality and privacy following HIPAA guidelines;

- Prohibit an employee from answering customer calls or processing applications without direct supervision, until the new employee training program has been successfully completed; and
- Be successfully concluded by passing a comprehensive competency test, approved by the Department, after the 80 hours training and prior to answering phones or processing applications.
- After successfully completing the new employee classroom training program, the Contractor shall adhere to the following monitoring schedule for new call center and eligibility staff once released into the production environment:

Production Quality Monitoring	
Weeks in Production Environment	Percentage of Production Work Audited
1-2 Weeks	100%
3-4 Weeks	50%
5-6 Weeks	25%
After 6 Weeks	Random audits per regular QA schedule

3.13.2 Continuing Employee Training

The Contractor shall develop, maintain, and provide a training program, approved by the Department, for all continuing employees. The continuing employee training program will provide a minimum of 40 hours additional training per contract period in addition to new employee training. The contractor shall also provide to the Department documentation of training topics prior to each training session and employee attendance records to satisfy the 40 hour requirement. The continuing employee training program shall:

- Provide for updates of information when programmatic changes occur or when problems are identified;
- Outline a process for identification of employee deficiencies and a process for remediation of those deficiencies on an individual basis in a timely manner.

The Department encourages the utilization of both group and individual training in an online environment or classroom setting.

3.13.3 Quality Assurance Monitoring

The Contractor shall have the responsibility of developing and implementing, upon Department approval, a quality assurance monitoring program for all aspects of Operations for the purpose of ensuring quality and immediate training feedback. Refer to Section 7.1 for the ongoing quality assurance monitoring requirements.

3.14 Client Satisfaction Survey

The Contractor will conduct a client survey during the course of the contract period. The scope and methodology for the survey, including required analysis and reporting to the Department will be mutually agreed upon between the Department and the Contractor. The Contractor will develop a database to record survey information and provide to DMAS as part of the monthly report.

The Department is interested in technologically advanced methods of obtaining client satisfaction results. The prospective Contractor is encouraged to include in their response to this RFP a separate component for a random confidential customer satisfaction survey that is client driven or interactive and provides the caller the option of completing a survey. Survey volumes should be based upon a 10% average monthly volume of calls answered.

4 CONTRACTOR RESPONSIBILITIES FOR DMAS STAFF

The Contractor shall provide separate office space within its operating facilities for DMAS Co-located staff to include sufficient furniture, telephones, personal computers with appropriate software, and filing space to perform all tasks specified in this contract.

4.1 Administrative Support for Co-located Department Staff

4.1.1 Parking

The Contractor shall supply nine (9) parking spaces within 100 yards of the CPU site. These parking spaces shall be of no charge by the Contractor, to Department Co-located staff.

4.1.2 Office Space

The Contractor shall provide and maintain separate and secure office space, equipment, and furniture for fourteen (14) Department employees as well as the option for additional space, should the Department need to hire and locate additional employees at the CPU site. The Contractor and the Department shall negotiate the price for adding additional space and equipment at the time the request is made. The office space and equipment shall be of comparable quality to the Contractor's. The Department and the Contractor shall mutually agree to the location of the office space for the Department employees within the Contractor's building.

The DMAS co-located staff shall consist of eight (8) Department employees to perform FAMIS Plus and Medicaid Pregnant Woman eligibility functions, one (1) employee supervising these eligibility workers, four (4) administrative support, and one (1) contract monitor. The Department Co-located Unit Supervisor shall be provided an enclosed office. The Department employee monitoring the Contractor's operations will also be furnished a private enclosed space. DMAS staff would also require access to a furnished conference room. The office space shall be set up as follows:

a. Office set up

Space shall be organized, at a minimum, as twelve (12) separate cubicles for the Department's co-located staff. Individual cubicle space shall be a minimum dimension of 6 ft. x 6 ft. and include enough filing space to accommodate 30 day's worth of application receipts. In addition, the Contractor will provide a minimum of four (4), four (4) drawer filing cabinets sufficient to accommodate up to six (6) months of the unit's records. The Contractor shall furnish two (2) enclosed offices (one for the Department employee that will monitor the Contractor's operations and another for the Department's Co-located Unit Supervisor). Office space shall be comparable to the Contractor's Management office space with similar accommodations to include a work desk with file drawer and return with slide keyboard tray, bookcase or overhead cabinets, minimum two

(2) drawer filing cabinet, management style adjustable office chair and one (1) side office chair.

b. Computers

The Contractor shall provide and maintain fourteen (14) personal computers (PC) with Windows operating system, all appropriate software, computer accessories and a 21-inch monitor for each co-located Department employee to perform all tasks specified in this contract. Secure internet access shall also be provided to allow Department staff to receive and send electronic messages on the Department's email system. These PCs shall have:

- The version of Microsoft Office that complies with the Contractor's corporate IT standards (minimally: Word, Excel, PowerPoint, Access and Outlook);
- Sufficient capacity to support the requirements of this Contract;
- The ability to connect to VaMMIS;
- Support the configuration of the Department-supplied **QTermUTS** software for access to the DSS computer systems at the Virginia Information Technologies Agency (VITA);
- And any additional access required to support the requirements of eligibility processing of FAMIS Plus/Medicaid.

The Contract Monitor and the Department Co-located Unit Supervisor shall have access to the computer systems used by the Contractor's Customer Services Representatives to perform tasks specified in this contract. In addition, the Contract Monitor, Unit Supervisor and Senior Administrative Assistant shall have access to floppy disk and CD drives for file transfers.

The Contract Monitor shall have access to the ACD systems (observer access), which will enable the Contract Monitor to determine which representatives are actively receiving calls, view real time call volume, and a phone to PC recording device. The Contract Monitor shall also have access to all quality assurance monitoring systems and databases utilized by the Contractor in operations monitoring.

c. Telephones

The Contractor shall provide telephones with voice mail and head sets for up to fourteen (14) Department employees. The telephone for the Contract Monitor shall have a headset and have monitoring capabilities. The Contract Monitor shall also have access to telephones used by Customer Services Representatives to perform monitoring at the workstations.

d. FAX and Other Equipment

The Contractor shall provide and maintain access to a high volume fax line and machine for sending and receiving faxes. A medium volume printer and copy machine for use by Department staff shall also be provided. The Contractor and the Department will negotiate other equipment requirements and additional costs for items above the thresholds for Department employees, as needed.

4.1.3 FAMIS Plus Subsystem

The Contractor shall develop and maintain a database for FAMIS Plus/Medicaid referrals to the co-located staff for referral tracking, workflow management and application determination status. Design elements of this subsystem of the FAMIS System system shall be mutually agreed upon by the Department and the Contractor and implemented within 60 days of the signed Contract.

4.1.4 Courier Service

The Contractor shall provide courier service that picks up and delivers correspondence from the Department to the Contractor's site once daily, Monday through Friday, excluding State holidays. This courier service will also pick up and deliver correspondence from the central DSS office once daily, Monday through Friday, excluding State holidays.

4.1.5 Security

The Contractor acknowledges that ownership of any data provided by the Department remains with the Department and agrees to return the data to the Department when requested. The Contractor agrees to use the data only for activities described herein and for no other purpose unless the Contractor first obtains written permission from the Department. The Contractor agrees to ensure that access to the data will be limited to direct employees, subcontractors or independent consultants actively engaged in this project. Finally, the Contractor agrees to follow applicable Federal and State Confidentiality Laws and all DMAS policies.

4.1.6 On-line Access and Reports

The Contractor shall provide on-line access to the Contractor's FAMIS system for four (4) selected Department staff at the Department's headquarters. This access will be for audit management and quality assurance purposes, and to resolve customer complaints and generate ad hoc reports. Access to the FAMIS system shall also be provided at the Contractor's facilities for authorized Department staff for system testing and audit. The Contractor shall train Department employees on the operation of the FAMIS system.

The Contractor shall provide commercially available software to generate ad-hoc reports on all data contained in the FAMIS system to be utilized by designated Department staff in addition to Contractor staff. The Contractor shall provide training for up to two (2) Department staff on the use of this reporting tool. Additional requirements on this reporting tool can be found under Section 7.6 (Reporting Requirements).

5 FINANCIAL TRANSACTIONS

5.1 Monitoring Family Cost-Sharing Caps

FAMIS recipients will be subject to cost sharing provisions. FAMIS MOMS enrollees are not subject to cost sharing provisions. Total cost sharing is limited to 2.5% of gross income for families with incomes at or below 150% of the federal poverty level (FPL), and to 5% of income for families with incomes over 150% of the FPL. Eligible families at or below 150% of FPL are responsible for co-payments capped at \$180 per family per calendar year. Eligible

families with incomes over 150% of the FPL are subject to co-payments capped at \$350 per family per year.

Each family will be responsible for tracking their total co-payments. Once a family has reached the maximum yearly co-payment amount, the family will provide proof to the Contractor that the maximum payment has been reached. Documents of proof include receipts from the doctor's office or proof of payment from the provider. Once a family has reached their maximum annual cost share level, the Contractor will be responsible for notifying the Department. The Department will be responsible for notifying the MCO and requesting a new ID card showing no co-payment for the balance of the 12 month continuous enrollment period. The Contractor shall maintain a list of families that have reached the maximum family co-payment for a 12-month period. The Contractor shall notify the Department and the applicant when the co-payment is reached. The Contractor will report the tracking of co-payments exceeding the yearly cap.

Children who are identified on their application as Native American or Alaskan Natives shall be separately tracked by the Contractor, as these groups are exempt from any cost-sharing provisions.

6 DMAS RESPONSIBILITIES

This section describes the Department's responsibilities under this contract, beyond those which have been described elsewhere in this contract.

6.1 Training

The Department shall provide initial education and training for Contractor's management staff on FAMIS Plus, Medicaid Pregnant Woman, FAMIS and FAMIS MOMS eligibility determinations, and VaMMIS and ongoing as needed for updates. The Department shall also provide training materials on content covered by Department conducted training sessions.

Any changes or clarifications to program policy shall be provided in writing to the Contractor in a timely manner by the Department to allow for effective implementation. When the Contractor and the Department mutually agree, Department staff will conduct on site training workshops for CPU staff.

6.2 Reference Materials

The Department shall furnish Contractor with appropriate Federal and State regulations as well as other information necessary to fulfill the contract requirements. The Department shall also furnish the Contractor with a FAMIS and FAMIS MOMS Policy Manual and updates, to include DSS Broadcast memos, Sections M21 and M22 of the Department of Social Services Medicaid Manual, and written policy clarifications as defined and developed.

6.3 Contractor Monitoring

The Department will monitor the Contractor's operations and system-related activities from space that the Contractor will provide on-site at the CPU. To facilitate this function, the Contractor shall provide access, when needed, to:

- An additional office consisting of office furniture, a computer, and a telephone with monitoring capabilities. This office will be utilized by the Department off-site Program Manager or other designated staff for monitoring, testing or auditing purposes.
- A direct telephone line that allows calls to be monitored and includes a message that informs callers that such monitoring may be occurring for quality purposes;
- One telephone headset to be used for monitoring purposes;
- Access to the FAMIS system and the ability to generate reports from that database;
- Telephones used by the Contractor's customer services representatives to perform monitoring at the workstations.

Department staff co-located at the CPU site may also conduct on-site contract administration and monitoring functions in coordination with the Department's contract administration staff. The Department shall provide reasonable notice when the Department's non-co-located contract administration staff will perform audits and/or extended contract monitoring functions at the CPU.

In addition, the Department reserves the right to test, upon reasonable notice and within normal business hours, the Contractor's effective and efficient performance of the duties outlined in this contract and to conduct audits of Contractor functions and performance standards as deemed necessary.

7 Additional Contractor Responsibilities

This section describes the Contractor's responsibilities under this contract, generally beyond those which have been described elsewhere in this contract.

7.1 Quality Monitoring Reviews

The Contractor shall be responsible for self monitoring all aspects of performance under this RFP on a weekly, monthly, quarterly and annual basis. Quality assurance mechanisms shall be built into the application review process to provide internal assessment of the accuracy of the process. The Contractor shall develop a Quality Monitoring Plan that encompasses eligibility and call center performance, approved by the Department, which minimally provides the following:

- The Contractor shall conduct Quality Assurance reviews daily on 5% of applications processed, and results must be provided to Contract Monitor on a weekly basis.
- The Contractor shall conduct telephone audits of 5% of customer service calls weekly.

- The Contract Monitor should be provided 1% of cases of new workers to audit weekly for 4 weeks following their release into the production environment.
- Quality Assurance of new hires should be audited at 100% for a minimum of two weeks, adhering to the standard outlined in Section 3.13.1

The contractor shall also:

- Provide copies of training announcements and instructions provided to the Contractors' staff relative to eligibility processes and call center practices;
- Advise the Department's contract monitor of staffing changes of Call Center and eligibility staff members on a weekly basis; and
- Submit a daily inventory report detailing the processing status of applications, verifications, DSS Transfers, communication forms and referral returns to the Contract Monitor on a daily basis in an electronic format.

7.2 Member Materials

The division of responsibility between the Department and Contractor for creation, development, and printing member materials required for the FAMIS and FAMIS MOMS program is detailed in Exhibit III. The Exhibit also includes the letters and notices currently utilized by the Contractor. In the event changes or additions are made to the existing materials, the Department and the Contractor shall mutually agree to substitutions or reimbursement for additional printing and/or programming costs if applicable.

The Department and the Contractor shall mutually agree on reimbursement for development and production of new letters and materials and translation of letters and materials into languages other than Spanish as specified in Exhibit III. The Contractor shall provide the Spanish translation to all Contractor developed materials.

All letters, notices, and materials developed by the Contractor and sent to applicants and enrolled families shall be reviewed and approved by the Department prior to production.

7.3 Certificates of Coverage

Upon recipient request, the Contractor will provide Certificate of Coverage letters to former enrollees. The Contractor will develop a form letter, approved by the Department, which accurately certifies specific periods of enrollment and cancellation effective dates. System documentation of request and subsequent request fulfillment is required.

7.4 Data Collection

The objectives for data collection are to ensure that:

- To the extent that the information resides on the Contractor's system, accurate demographic data related to FAMIS and FAMIS MOMS previous and current enrollees is captured and disseminated;
- Accurate demographic data related to FAMIS and FAMIS MOMS recipients is maintained;

- The Department has inquiry access to all data currently maintained in the FAMIS system including, but not limited to enrollment data and data exchanges with other organizations; and
- Data shall be maintained for at least three years based on last date of activity or as required per the Department of Accounts' CAPP manual.

7.5 Operational Mutual Agreements

The Contractor shall participate in weekly operational meetings with the Department. Decisions and discussions during operational meetings shall be documented and reported by the Contractor within 3 business days of meeting.

The contractor shall also be responsible for recording and reporting all changes, and mutual agreements made between the Department and the Contractor throughout the contract year within 3 business days of the agreement or discussion.

7.6 Reporting Requirements

The Contractor shall develop and maintain a variety of standardized reports. Current reporting requirements have been described herein and are summarized in Exhibit III. The Contractor shall generate a contract annual report, quarterly reports, and monthly reports. The system report formats shall be sufficiently flexible to allow for mixing of various data series (e.g., by income and county and race).

7.6.1 Ad Hoc Reports

The FAMIS system shall be capable of generating ad-hoc reports, as requested by the Department, on a mutually agreed upon timeframe. Ad-hoc reports that require Contractor programming, over and above the 120 hours annually, may be reimbursed according to a price that will be negotiated with the Contractor prior to the generation of such report. The Department expects that standard reports, which are described throughout the Contract and summarized in Exhibit IV, will minimize the need for ad-hoc reports.

The Contractor shall provide a level of effort of up to ten (10) hours on a monthly basis to develop up to four (4) ad hoc reports, at the Department's discretion, at no additional charge to the Department. If the Department does not utilize the ten (10) hours allocated for a month, the parties agree that the Department may carry over the unused hours into the next month and through the end of the term of the Contract for a total annual maximum of 120 hours. The no-cost hours for ad-hoc reports are to be treated separate and apart from the no-cost hours for the FAMIS website maintenance.

The Contractor shall create, maintain, and report monthly to the Department a log of all Contractor labor effort expended in ad-hoc design, creation, testing, and implementation.

7.6.2 MCO Monthly Reports

The Contractor shall receive on a monthly basis provider listing information from each MCO. The Contractor shall utilize this information to respond to caller inquiries.

The Contractor shall establish procedures for the following:

- Receive monthly reports from MCOs that include, at a minimum, recipient address changes, third party liability (TPL) information, deaths, and other data reports that may impact recipients' eligibility.
- The Department, the Contractor, and the MCOs shall mutually agree upon the frequency, format and content and transmission method of the reports.

The Department shall be responsible for ensuring that participating MCOs provide to the Contractor all source data required to produce these reports. The Contractor shall be responsible for compiling and reporting that data to the Department. The Contractor shall report to the Department if the MCOs do not provide such source data in a timely manner and in the required format.

7.6.3 Standardized Reporting

Exhibit IV, Summary of FAMIS System Reporting, lists the reporting and data evaluation requirements of the FAMIS and FAMIS MOMS programs. As distinct from ad hoc reports, any changes to or additional routine data reporting elements, periodicity or formats identified by the Department because of Federal or State reporting and evaluation requirements will be required of the Contractor. The Contractor and Department shall mutually agree upon timelines for the implementation of changes to existing reports, and the changes will be handled as a maintenance activity. The timeline and price for implementation of new reports shall be negotiated in cases where the new report is complex and will require significant programming time to implement. The Department and the Contractor shall work together to develop a mutually agreed to definition of a complex report.

The Department and the Contractor shall work together to mutually define and agree to the content and format for requested changes to reporting requirements generated by the FAMIS system or through the ad hoc reporting tool. The Contractor shall provide reports to the Department in paper, CD-ROM, or diskette as determined by the Department.

The Department and the Contractor shall work together to determine all reporting formats. Monthly reports shall include data on the most recent month. Quarterly reports shall include contract quarter summary data. Year-to-date summary data shall be on selected reports produced by the Contractor as documented in Exhibit IV, however the Annual report shall be a compilation of all reporting data.

7.6.4 Operations Status Reports

The Contractor shall provide the Department weekly and monthly narrative reports regarding major activities and tasks performed by operations. The narrative shall include:

- a. Status of major operations components and activities; and
- b. Status of major system modifications, including any potential delays anticipated or encountered in reaching target dates, the reason for such delays, and the Contractor's plans to address problems and issues that have developed.

7.6.5 Report Delivery

All weekly reports shall be presented in hard copy, and electronically. All other reports shall be presented in hard copy and on 3.5" diskettes or CD. The reports shall be developed and maintained in Actuate, Microsoft Excel, and/or Word as appropriate. The Contractor shall provide reports in an Adobe Acrobat format as requested.

The Contractor shall ensure timely submission of all required reports, as specified below:

- **Weekly Reports -**

Shall be due to the Department no later than the close of business each Monday or the first business day following the end of the previous week.

- **Monthly Reports**

Shall be cumulative, including a comparison of the current month and previous month activity, and shall be due to the Department no later than the close of business on first business day on or after the 15th calendar day of the following month.

- **Quarterly Reports**

Shall be cumulative, including a comparison of the current quarter and previous quarter activity, and shall be due to the Department no later than close of business on the first business day on or after the 20th calendar day of the month following the end of the quarter.

- **Annual Reports**

Shall be due to the Department no later than close of business on the first business day on or after the 30th day of the month following the end of the contract year.

Timely receipt of these reports shall be a prerequisite for authorization of monthly payments to the Contractor. Therefore, failure to provide accurate or complete management reports by specified deadlines may result in the assessment and collection of liquidated damages as per Section 10.

7.7 Implementation Plan

The Contractor shall develop and submit, for the Department's approval, a plan to effectively accept and upload calls and enrollee data, in all formats (paper, electronic, etc.) regarding the FAMIS and FAMIS MOMS programs from the current Contractor. This implementation plan shall include detailed steps to account for all enrollee/applicant information, case status and case maintenance activities to be completed, to minimize disruption in services for all current and potential enrollees. The plan shall also include detailed information on how the Contractor will effectively take over hosting responsibilities of the current FAMIS website including any new development required, transfer of existing data and programming to the Contractor's server, and connectivity with minimal website down time. The implementation plan shall be submitted to the Department no later than 30 days following the date the Contract is signed.

8 TECHNICAL REQUIREMENTS

8.1 FAMIS System Requirements - General

The Contractor shall be required to design, develop, implement, and maintain an automated system to record applicant and case information, determine eligibility and comply with all reporting requirements contained in the contract for the FAMIS /FAMIS MOMS and FAMIS Plus/Medicaid Pregnant Woman programs. This system shall be referred to as the FAMIS System. The Contractor shall provide all hardware, software, maintenance, and connectivity to external systems necessary to support all activities at the CPU site. The Contractor shall also be required to support Commonwealth staff working at the CPU, including the provision and maintenance of all facilities, hardware, and software in an up-to-date Windows GUI operating environment.

The FAMIS System shall be a rule-based computer system and will use a commercially available Relational Database Management System (RDBMS) and shall be capable of determining the applicant's FAMIS and/or FAMIS MOMS eligibility and a complete screening of all eligibility requirements for a FAMIS Plus/Medicaid Pregnant Woman likely determination. Access to information contained in the FAMIS system will be provided to Department co-located and central office staff.

If the Contractor subcontracts any part or all of the FAMIS system and then changes the Subcontractor, the Department will not be charged for the costs. If the Contractor does not subcontract or decides to maintain the system internally, any expense incurred will be the Contractor's responsibility. Any change in the support of the FAMIS system cannot adversely impact the Contractor's ability to meet the performance standards in this contract.

If any portion of the infrastructure developed to support the FAMIS family of programs will be shared with other programs, the Contractor shall specify what percentage of capacity will be devoted to the FAMIS programs and what percentage(s) will be devoted to other program(s).

8.2 FAMIS System – Call Center

The FAMIS System shall be designed to support the operation of the Call Center and shall, at a minimum, be able to:

- Maintain a record of all incoming calls by type;
- Maintain all application information, images of related documentation, current status, family case history, and valid application dates;
- Track the source of applications (i.e. Specific outreach organizations, DSS, hospitals, FAMIS website, etc.);
- Record all customer inquiries, including specific questions and any answers, information, or actions taken by Contractor staff in response;
- Record all customer complaints, including specific concerns and questions, and any answers, information, or actions taken by Contractor staff in response;
- Provide access for call center staff to all enrollment information for FAMIS/FAMIS MOMS, and FAMIS Plus/Medicaid Pregnant Woman referred cases; and
- Record TPL insurance identified during the coverage period.

8.3 FAMIS System – Document Management

The FAMIS System shall be designed to support the operation of the Mail Room and Document Management process and shall, at a minimum, be able to:

- Include a separate mail tracking component to capture all incoming mail with an assigned identifier that tracks the type and volume of mail, date received, and the disposition of such mail (e.g., what happened to returned mail);
- Include a mail tracking component to capture all outgoing mail by the type and volume of mail. This mail tracking component will include, but not be limited to, applications or other materials and date mailed;
- All paper documents received at the CPU shall be electronically scanned and linked to the appropriate case identifier designated by the FAMIS system for each applicant family based upon relational protocols as mutually agreed upon between the Contractor and the Department;
- Automatically capture and link all outgoing mail to the appropriate case file;
- Allow Contractor staff and the Department the capability of viewing and printing all scanned images received. The scanned images shall be of highest quality to allow all eligibility staff to process cases directly from scanned images versus paper files.
- Maintain an electronic database that captures ad-hoc requests for information, applications, and generates mailing labels for the dissemination of the requested materials;
- Provide the appropriate technology to image, link and upload e-application data directly into the FAMIS system thereby eliminating data entry;
- Include a mail tracking component to capture all returned mail by the type, volume, date returned, date originally mailed and the reason(s) applicant or enrollee correspondence mailed by the Contractor was returned as undeliverable by the US Postal Service;
- Be capable of receiving electronic file transfers from the DSS. The Department and Contractor shall mutually agree on the specific data and manner by which this data shall be received by the Contractor and sent by DSS; and
- Include a materials inventory tracking process to ensure the availability and timely dissemination of program materials.

8.4 FAMIS System – Eligibility and Enrollment

The FAMIS System shall be designed to support the determination of eligibility and enrollment and shall, at a minimum, be able to:

- Determine program eligibility, based on DMAS directed and approved business rules, for four (4) programs in the following order, based on pregnancy status and applicant age:
 - FAMIS Plus
 - Medicaid Pregnant Woman
 - FAMIS
 - FAMIS MOMS;
- Identify, track and refer Connected Cases and DSS Transfer cases requiring review by the FAMIS Plus Unit;
- Record all eligibility worker case notes, specific case deficiencies and actions taken;
- Differentiate and record income verifications received versus specific pay period information needed to complete a determination of eligibility;

- Produce deficiency letters for each case based upon missing information for each applicant. The system shall also have the capability to produce more than one deficiency letter for the family.
- Allow for manual regeneration of letters that were sent to applicants or enrollees.
- Enroll applicants determined eligible for FAMIS or FAMIS MOMS in the FAMIS system and maintain all enrollment data such as, current status, income calculation, appropriate aid category, begin and end date of coverage, next renewal date, final disposition, denial and cancellation reasons, selected or assigned MCO, and other eligibility information as may be necessary to maintain the case;
- Establish the effective date of coverage as the first day of the month in which the signed application was received at either the FAMIS CPU or the local DSS office.
- For newborn applicants only, establish the effective date of coverage as no earlier than the date of birth, if the date of birth is within the three (3) month period (retroactive period) immediately prior to the signed application received date. All eligibility requirements must be met for each month of eligible retroactive coverage
- Document the eligible applicants' choice of MCO, if a choice is indicated, and maintain the application paper image and electronic eligibility files;
- Track eligibility and enrollment activity and process re-determinations of eligibility and annual renewals, as appropriate based on program enrollment;
- Accommodate tracking enrollment for "split cases" - families who are enrolled in different programs (e.g., one member may be eligible for FAMIS Plus/Medicaid and another for FAMIS/FAMIS MOMS);
- Track re-applications based upon previous eligibility period and current application date;
- Capture specified changes in family circumstances that may occur throughout the year and a variety of enrollment changes and disenrollment situations upon completion of a re-determination or at annual renewal. In each situation, the Contractor shall send a notice to the family informing them that coverage will end as of a particular date.
- Establish the coverage end date for FAMIS MOMS enrollees based on the Estimated Delivery Date (EDD) or actual delivery date. The system generated end of coverage date will be the last day of the month in which the 60th day following the end of the pregnancy occurs. The FAMIS system will record the EDD and/or actual delivery date from the application or proof of pregnancy verification. The EDD may be revised or the actual delivery date may be added if the enrollee notifies the Contractor;
- Maintain all relevant case information on DSS case transfers of FAMIS and FAMIS MOMS enrollees as defined the Department;
- Support manual overrides of eligibility denials;
- Maintain data on status of enrollees in the FAMIS Select premium assistance program;
- Track and link FAMIS family members to ensure that applicable cost-sharing caps are not exceeded and members of the same family case are not enrolled into different MCOs; and
- Allow designated Contractor staff to override system-generated actions and manually initiate certain actions on request.

8.5 FAMIS System – FAMIS Plus Subsystem

The FAMIS system shall have a separate FAMIS Plus/Medicaid subsystem for use by the co-located DMAS eligibility staff. At a minimum, this subsystem shall have the ability to:

- Provide all components required to track, assign, review and finalize eligibility determinations referred for FAMIS Plus and Medicaid for Pregnant Women;
- Be capable of sending correspondence on case dispositions and tracking such correspondence;
- Allow DMAS staff to enter customer service notes to track contacts with a family regarding the FAMIS/FAMIS MOMS and/or Medicaid/FAMIS Plus case into the FAMIS system or FAMIS Plus subsystem;
- Update the FAMIS system with the status of all Medicaid Pregnant Woman/FAMIS Plus applications referred to Department co-located staff after determination through use of an electronic link between the FAMIS Plus referral subsystem and the FAMIS System.
- Allow assignment of referred cases to specific unit workers for review, tracking and capturing final dispositions of all referrals;
- Allow Department staff a seamless capability to view all scanned images for application review;
- Provide for printing of all required notices and correspondence required to finalize referral reviews;

Additional requirements for the FAMIS Plus subsystem shall be mutually agreed upon by the Department and the Contractor.

8.6 Application Data

In addition to capturing all data necessary to support the functions of the FAMIS CPU, the FAMIS system shall capture all data fields present on the Children's Health Insurance and Pregnant Woman application form as of the contract execution date. Changes to the application and subsequent system modifications to support application updates shall be negotiated and mutually agreed to by DMAS and the Contractor. See Exhibit II for a copy of the current Children's Health Insurance and Pregnant Woman application form.

8.7 FAMIS System – Wait List

The FAMIS system shall have the ability to identify cases in a wait list status. In the event the State implements a waitlist program, the Contractor and the State shall mutually agree on additional services and compensation. This is a future capability and is not currently a requirement of the system.

8.8 VaMMIS and FAMIS System Reconciliation

The VaMMIS system shall be considered the primary owner system for all FAMIS and FAMIS MOMS member enrollment data. The Contractor shall reconcile the FAMIS system data with the VaMMIS recipient data received weekly as described in Section 8.12.2. The Department and the Contractor shall work together to mutually revise and agree to the reconciliation process.

8.9 VaMMIS Enrollee Data

Using the enrollee data received weekly as described in Section 8.12.2, the Contractor shall update enrollee data in the FAMIS System. Any changes to the approved file specification shall be negotiated and mutually agreed to by the Department and the Contractor.

8.10 Data Exchange

The Department and the Contractor agree to exchange data for supporting the Medicaid Pregnant Woman, FAMIS Plus, FAMIS MOMS and FAMIS programs. The Contractor will develop a data exchange process by electronic file transfer protocol that is in accordance with Commonwealth and Federal regulations.

8.11 Retrieval of Data

At a minimum, case information will be retrievable by selected data fields such as: Family ID, FAMIS ID, first and last name of applicant or enrollee, Social Security number of applicant or enrollee, date of birth, or 12 digit MMIS identification number.

Data files shall be made available to DMAS within a mutually agreed upon timeframe from the date of request. Costs may be negotiated between the Department and the Contractor based on the complexity and format of the data file request. The Contractor shall be responsible for all programming functions and costs associated with the routine maintenance of this system. The Contractor shall update operational procedures, manuals, and reports necessary for operation of the CPU.

8.12 FAMIS CPU Systems Technical and Interface Requirements

In response to this RFP, the Contractor must demonstrate the ability to interface with the Virginia Medicaid Management Information System (VaMMIS) to provide data and other information to the Department (as required) to be used for monitoring and analysis as described in Section 8.13 of this RFP.

8.12.1 Data Mapping

The Contractor shall complete all data mapping necessary to submit information to the Department and respond to information provided by the Department at no cost to the Department. This will consist of a cross-reference map of required VaMMIS data and Contractor system data elements and data structures. The Department will make any necessary data formats available to the Contractor. Any changes required by the Contractor shall be borne by the Contractor at no expense to the Department.

8.12.2 Enrollment Reconciliation

The Contractor shall receive (pull) and process HIPAA compliant Health Care Eligibility transactions from the Department on a scheduled weekly basis using the FTP process described in Section 8.13.2. These transactions are associated with FAMIS eligibility and reflect current status for the week.

8.12.3 Contractor Database and System

In order to meet information system requirements and to support the timely provision of ad hoc report requests that may be made by the Department, the Contractor shall maintain

a HIPAA compliant database, in a format acceptable to the Department and utilizing the MMIS enrollment data addressed in Section 8.12.2 above. The database should be capable of maintaining and recording participant protected health information (PHI) for the Department's FAMIS CPU functions; and retrieving data on a short notice. The Contractor database shall ensure the timeliness and accuracy of data used in the business processes based on the Department's rules and regulations. This system shall be capable of allowing for future growth in service volume.

Although the Contractor will maintain the database at their facility, DMAS will have access to the database and the MMIS specific data stored in the Contractor's database shall be the property of the Department.

The following data retention requirements apply to all FAMIS CPU programs and related data, unless explicitly stated for a specific type of data:

- Data stored in the database shall be current on a daily basis, based on the updates received from the MMIS and the Contractor's interaction with that data, and shall be backed up on a daily basis;
- The Contractor shall purge and archive data to permanent storage media according to the Department's defined requirements. The storage media shall be commercially available;
- The FAMIS system shall comply with current applicable retention requirements and make data accessible according to Federal and Commonwealth requirements. Any changes to current applicable Federal and Commonwealth requirements shall be addressed pursuant to the change control provisions of the contract;
- The FAMIS system shall maintain data on-line for three (3) years based on last date of activity;
- The Contractor shall provide for access to data in machine-readable form that is between three (3) years and five (5) years old on a mutually agreed to timeframe;
- The Contractor shall store, organize, and maintain all application and case records processed by Contractor staff;
- The Contractor shall apply existing retention policies as specified in Section 3.6.11 to such material until otherwise directed by the Department; and
- The Contractor shall provide a five (5) business day turnaround time for non-machine readable documents received in the past year. Requests for documents that are stored at the Library of Virginia will be fulfilled within a mutually agreed upon timeframe based on the Library's access standards.

8.12.4 Systems Readiness Review

The Contractor will work with the Department to ensure that the Contractor's processing system satisfies the functional and informational requirements of Virginia's FAMIS program. The Contractor must provide system access to allow the Department to test the Contractor's system through the Department network. The Contractor will provide any software or additional communications network required for access at the Contractor's expense.

8.12.5 System Security

The Contractor will apply recognized industry standards governing security of State and Federal Automated Data Processing systems and information processing. At a minimum, the State requires the Contractor to conduct a security risk analysis and to communicate the results in an Information Security Plan. The risk analysis will also be made available to appropriate Federal agencies.

The following specific security measures should be included in the system design documentation and operating procedures:

- Computer hardware controls that ensure acceptance of data from authorized networks only.
- At the Contractor's central facility, placement of software controls that establish separate files for lists of authorized user access and identification codes.
- Manual procedures that provide secure access to the system with minimal risk.
- Multilevel passwords, identification codes or other security procedures that must be used by State agency or Contractor personnel.
- All Contractor database software changes related to the FAMIS program may be subject to the Department's approval prior to implementation.
- System operation functions must be segregated from systems development duties.

The Information Security Plan document must be delivered to the Department 30 days before implementation.

8.12.6 Contingency Planning, Disaster Preparedness and Recovery at the Central Processing Site

A. The Contractor must submit evidence that it has a Business Continuity Plan/Disaster Recovery Plan (BCP/DRP) (the plan) for its Central Processing Site. At a minimum, the plan must:

- Include the ability to continue receiving calls, processing eligibility determinations, and other functions required in this RFP in the event that the central site is rendered inoperable.
- Include provisions in relation to the call center telephone number(s).
- Document emergency procedures that include steps to take in the event of a natural disaster by fire, water damage, sabotage, mob action, bomb threats, etc.
- Be tested annually after the effective date of the contract
- Employees at the site must be familiar with the emergency procedures

The RFP response must include sufficient information to show that the plan meets or exceeds the requirements of final rule adopting HIPAA standards for security as published

in the Federal Register on February 20, 2003 and complies with the guidance provided in the following:

- Virginia Information Technologies Agency (VITA) Information Technology Resource Management (ITRM) Policy SEC 500-02 (Security Policy) and the VITA ITRM Standard SEC 501-01 (Security Standard) at <http://www.vita.virginia.gov/docs/psg.cfm>
- Federal Preparedness Circular 65, updated June 2004
- National Institute of Standards and Technology (NIST) Special Publications
 - 800-66; An Introductory Guide for Implementing the Health Insurance Portability and Accountability Act (HIPAA) Security Rule, dated March 2005
 - 800-34 Contingency Planning Guide for Information Technology Systems
- Virginia Department of Emergency Management Continuity of Operations Planning toolkit at <http://www.vaemergency.com/library/coop/resources/index.cfm>.

The Plan document must be certified and delivered to the Department 45 days before implementation.

The results of the annual testing of the plan must be made available to the Department for the life of the contract.

B. Central Processing Site requirements

The Contractor must ensure that the following minimum requirements are met:

- Smoking must be prohibited at the site.
- Heat and smoke detectors must be installed at the site both in the ceiling and under raised floors (if applicable) and these devices must alert the local fire department as well as internal personnel.
- Portable fire extinguishers must be located in strategic and accessible areas of the site. They must be vividly marked and periodically tested.
- The site must be protected by an automatic fire suppression system.
- The site must be backed up by an uninterruptible power source system.

8.13 FAMIS CPU Systems Connectivity and Transmission Requirements

The Contractor may not transmit PHI over the Internet or any other insecure or open communication channel unless such information is encrypted or otherwise safeguarded using procedures no less stringent than those described in 45 CFR § 164.308(e). If the Contractor stores or maintains PHI in encrypted form, the Contractor shall, promptly at the Department's request, provide the Department with the software keys to unlock such information.

The Department will provide technical assistance to the Contractor to ensure that appropriate linkage to the VaMMIS occurs and to ensure that the Contractor purchases the appropriate equipment and software applications necessary for the VaMMIS connectivity.

All expenses incurred in establishing connectivity between the Contractor and the VaMMIS fiscal agent, First Health Services Corporation (FHSC) will be the responsibility of the

Contractor. Connectivity to VaMMIS must be operational thirty-days prior to implementation.

The Contractor shall comply with the Health Insurance Portability and Accountability Act (HIPAA) Final Rules and Standards and other confidentiality laws related to the electronic transactions of data between the Contractor and FHSC, electronic correspondence between the Contractor and The Department, and transmission within and out of the Contractor's corporate network including any ISPs. These HIPAA standards involve:

- The Privacy of Individually Identifiable Health Information;
- Standards for Electronic Transactions; National Standards for Employer Identifiers;
- National Standards for Health Care Provider Identifiers; and the
- HIPAA Privacy and Security Regulations.

8.13.1 Contractor's Access to the MMIS for Inquiry and Update functions.

The contractor will be required to access the Department's MMIS via online connectivity, which is CICS based with a graphical user interface (GUI) front-end to the CICS screens (ClientBuilder). The functions required for this contract would be inquiry and update functions associated with FAMIS eligibility processes. The Contractor would need to work with DMAS's VaMMIS fiscal agent, First Health Services Corporation (FHSC) in a HIPAA compliant manner. The fiscal agent will require the execution of a trading partner's agreement for MMIS connection. The contractor shall describe in detail how they will pursue connectivity. All expenses incurred in establishing connectivity between the Contractor and FHSC will be the responsibility of the Contractor. Remote access to MMIS must be operational thirty-days prior to implementation. The connection to the MMIS must be done using a VPN interface, which is described as follows:

Site to Site VPN

The Cisco 3060 VPN Concentrator located at PDC offers support for up to 5000 simultaneous IP Security (IPSec) sessions. The 3060 is a VPN platform designed for large organizations that require the highest level of performance and reliability and that have high-bandwidth requirements from fractional T3 through full T3/E3 or greater (100 Mbps maximum performance).

The Contractor can also deliver a VPN device to be hosted in an isolated "Extranet VLAN". VPN traffic will be tunneled through the Internet Firewall's to the VPN device for decryption/delivery to the DMZ Firewall. The Contractor is responsible for the maintenance of all supplied equipment. The DMAS MMIS fiscal agent's Phoenix Data Center (PDC) staff will validate power and physical connectivity for the equipment. A Site to Site IPSEC VPN can be established between the Contractor and the FHSC Cisco 3060 VPN concentrator. The VPN will secure all traffic passing between the sites. The Concentrator and Firewalls will restrict the physical access to only allowed hosts.

The Department would like to pursue the implementation of an interface process that would address the transfer of FAMIS/FAMIS MOMS eligibility data to/from the VAMMIS via DMAS's fiscal agent for the purpose of elimination the online VaMMIS inquiry/update processes. In the event the Department implements this process, the Contractor and the Department shall mutually agree on additional services and

compensation. Again, this is a future capability and is not currently a requirement of the FAMIS System.

8.13.2 Contractor Electronic Access to Department Eligibility Data

The contractor will “pull” all data as described in Section 8.12.2 from the VAMMIS fiscal agent in a HIPAA compliant fashion by secure FTP. The fiscal agent will require the execution of a trading partner’s agreement for the FTP connection. The contractor shall describe in their secure FTP connectivity. All expenses incurred in establishing connectivity between the Contractor and FHSC will be the responsibility of the Contractor. The FTP access to MMIS must be operational thirty-days prior to implementation.

Secure FTP

The Contractor would also be able to access the FHSC Secure File Transfer Server over the Internet. This product supports the FTPS (SSL FTP/AUTH SSL) protocol to secure all communications between the Contractor and the server. An area on the server will be created for the Contractor to GET files.

FHSC supports Secure Sockets FTP over the Internet that complies with RFC 959, 1123, and 2228. The Contractor is required to use a 128-bit SSL client software package, at the Contractor’s expense that supports passive mode. FHSC also supports PGP.

8.13.3 DMAS Access to Contractor Database and System

There will be no direct connection to DMAS from the contractor. The contractor will provide access to DMAS via 128-bit SSL web front end to the application (e.g., Secure CITRIX server). All application operations must be able to be done via a web browser from DMAS workstations. Therefore, the application must be web enabled.

The Contractor shall provide DMAS remote access (read-only) to the Contractor’s FAMIS System with respect to all FAMIS requirements/activities for at least four (4) designated staff located at DMAS. The Contractor shall provide equipment, training and access to the Contractor’s computer system at no cost to the Department. Remote access to the Contractor’s Database and system must be operational thirty-days prior to implementation.

8.13.4 DMAS Remote Access/Email Communications:

The contractor will provide SSL secure email access over the Internet between DMAS and the contractor. The preferred method is end-to-end TLS ESMTP email encryption of at least 128-bits between the contractor’s ESMTP email server and the DMAS edge mail security appliances. Bidirectional TLS email encryption must be tested and documented between DMAS and the contractor’s SMTP server. The contractor’s email coming from or going to DMAS must otherwise pass through encrypted or dedicated line connections to any other corporate units. Otherwise, the contractor will use the DMAS secure email server encrypted at 128-bits for secure email. DMAS uses Tumbleweed secure email server for all secure email between the agency and outside entities not connected to DMAS by dedicated lines. DMAS additionally has implemented the new Symantec Mail

Security appliances that do point-to-point TLS email encryption. The Contractor will be responsible for ensuring secure connections for the DMAS Co-located staff to the DMAS webmail server.

8.13.5 Timeliness, Accuracy, and Completeness of Data

The Contractor must ensure that all electronic data submitted to the Department are timely, accurate and complete. At a minimum, data and reports will be submitted via electronic media or via the web in accordance with Department criteria.

In the event that electronic data files are returned to the Contractor due to errors, the Contractor agrees to process incorrect data and resubmit within twenty-four (24) hours.

8.13.6 Contractor to Department of Social Services

1. The Department shall provide the necessary communications line for connectivity to the DSS systems at VITA through the Commonwealth CoVAnet contract.
2. The Contractor shall connect to CoVAnet ATM backbone via Frame Relay circuit on at least a fractional T-1 line. The Contractor shall present only public registered IP addresses to the CoVAnet. The CoVAnet connection will use a PVC (Permanent Virtual Channel) to the DSS application on the VITA UNISYS mainframe.
3. The contractor will provide and maintain at its own expense the necessary circuit termination equipment at its end of the line and any required by VITA at its end of the line.
4. The Commonwealth shall provide the Contractor licenses for QTermUTS software for use by the state workers located at the Contractor's facility. These will be installed, configured, and maintained by the Contractor.
5. IP terminal emulation shall be used in all cases (i.e. UTS terminal emulation).
6. The contractor will support the DSS VPN client software for access over the Internet to the DSS intranet applications including the Local Agency page and SPIDeR. Public IP addresses for ADAPT and DSS intranet applications will need to be provided to DSS Security in advance.

8.14 FAMIS System Maintenance and Modification

Over the course of the Contract, the Department and Contractor acknowledge that changes to the FAMIS system may be required to implement changes, correct defects, respond to changes in FAMIS MOMS and FAMIS regulations and/or other applicable laws, respond to requests from the Department, and perform routine maintenance activities. For purposes of the Contract, the Department and Contractor differentiate between maintenance activities that are covered under the Contractor's Contract price and modification activities that qualify for additional reimbursement.

The Department reserves the right, upon reasonable notice and during normal business hours, to have Department staff test the eligibility system rules and eligibility determinations, and to validate the Contractor's test results, on an ongoing basis and when changes to the rules are made. Such tests shall not interfere with the Contractor's ability to perform the services hereunder or meet the performance standards.

The Department and the Contractor shall agree upon specific system modifications that impact eligibility calculations, enrollment functions, or material program components before any changes are made to the Contractor's FAMIS system. The Department reserves the right to verify any system modification before the change is implemented.

8.14.1 System Maintenance Activities - Definition

Maintenance activities are defined as minor updates to existing features or capabilities of the FAMIS system. Maintenance activities include, but are not limited to, the following:

- Repairs of identified defects
- Changes to existing letter verbiage
- Changes to existing reports
- Additions to existing drop down boxes for informational purposes only
- FAMIS security access changes
- Contractor routing changes
- Virus Scan updates
- Licensing agreements

8.14.2 System Modifications

a. Definition

A system modification is defined as addition of new, or changes to, existing features or capabilities of the FAMIS system that may qualify for additional reimbursement and are not included in Contractor's Contract price. Examples of system modifications include, but are not limited to, the following:

- Program changes mandated by the Virginia General Assembly;
- Program changes mandated by other rules or regulations of the Commonwealth;
- Program changes mandated by federal statutes, laws, or regulations (*i.e.*, HIPAA, etc.);
- Changes that require alteration of the logical or physical database schema;
- CPU operations procedure changes that require system modifications to accommodate Department requests or requirements;
- Changes to current eligibility policy that affect the rules engine;
- Significant changes to the pre-filled application content or format, such as adding fields to the application, reformatting the application, and adding data to or collecting data from the application form;
- Design, development, and implementation of new letters;
- Design, development, and implementation of new reports;
- New data storage or reporting requirements;
- New LAN/WAN connectivity, security or software required by the Department; and
- Usage of new third party software components required by the Department

b. FAMIS System Modification Request Process

The Department shall communicate system modification requests to the Contractor in writing using a mutually agreed to System Modification Request Form. The written request shall include a description of the modification, the reason for the modification, and the timeframe within which the Department requests that the modification be implemented.

The Contractor shall respond in writing to a Department-initiated System Modification Request within a mutually agreed to timeframe. As part of the response process, the Contractor and Department shall meet to discuss and clarify requirements for the System Modification Request. The Department and Contractor shall discuss, agree to, and document the Department's expectations for participating in user acceptance testing of the change and criteria for signing off on the modification prior to migration to the production environment.

Based on the results of this meeting, the Contractor shall:

- Prepare a written response to the Department's System modification Request;
- Include a description of the work to be performed by Contractor;
- Identify the components of the system impacted by the change;
- Identify the proposed/required level of effort to complete the change request;
- Identify the implementation timeline for the change; and
- Identify the total additional reimbursement for the modification.
- Document the proposed/required number of labor hours by life-cycle category, as mutually agreed to by the Department and the Contractor (e.g., requirements definition, system specifications, programming, testing, etc.).
- Provide the hourly labor rates by category, any other direct expenses, and total proposed/required price by category to derive the total proposed additional reimbursement for the modification.

c. Contingency Plan

For System Modification Requests that impact the eligibility rules or are required based on Virginia General Assembly changes to the FAMIS MOMS or FAMIS program, the Contractor shall also develop and submit a contingency plan. The plan shall outline the actions the Contractor shall take operationally and systemically in the event the system implementation deadline is missed, is unachievable in the time remaining, or significant problems occur after migration of the system modification into the production environment. Significant problems include, but are not limited to, instances where production is adversely impacted by:

- Inability of CPU staff to process applications, renewals and/or verifications;
- System errors that result in incorrect determination of eligibility;
- Mailing functions are negatively impacted (e.g., letters and notices cannot be generated by the system); or
- Letters and notices generated by the system are inaccurate.

The Contractor shall provide the Department with weekly, or other mutually agreed to timeframe, reports regarding the status of the approved System Modification Request. The Contractor shall report issues or problems encountered, including the planned approach to resolving the issues or problems and testing results, if applicable.

d. Reimbursement and Invoicing

The Contractor and Department shall meet to review and discuss the Contractor's response to the System Modification Request, agree to revisions as necessary, and agree to the additional reimbursement that will be made to the Contractor by the Department based on the approved System Modification Request. Reimbursement shall be based on a time and materials or fixed price basis. The Department and the Contractor shall mutually agree prior to the approval of the System Modification Request on the reimbursement method to be used.

1. Time and Materials

For System Modification Requests that shall be negotiated on a time and materials basis, the Contractor shall:

- Document the actual level of effort expended to complete the system change (e.g., hours by life cycle category) and any other direct expenses;
- Document the total price for the completed modification by multiplying the life-cycle category total labor hours by the hourly labor rate, summing all categories, and adding other direct expenses to derive the grand total for reimbursement.

The Department shall reimburse the Contractor for the actual level of effort and expenses to complete the System Modification Request, regardless if the actual levels of effort or actual expenses are lower or higher than the proposed/required level of effort documented in the Contractor's written, and Department-approved, response. The Contractor shall attach the time and materials documentation to the system modification invoice.

2. Fixed Price

For System Modification Requests that shall be negotiated on a fixed price basis, the Department shall reimburse the proposed additional reimbursement documented in the Contractor's written and Department-approved response.

The Contractor shall invoice for the approved System Modification Request only after the Department has approved migration of the completed system modification into the production environment and the Contractor has moved the approved changes into production. The Department reserves the right to test and certify that approved modifications to the automated rules are accurate prior to migration to the production environment.

In the event the Contractor does not implement any Department-approved System Modification Request, or those mandated by the Virginia General Assembly on time, manual workarounds must be developed and approved by the Department, and

implemented without additional reimbursement, until the system modification is migrated into production.

e. System Modification Process Management

The Contractor shall track all maintenance and modification activities and shall provide a status report on a mutually agreed to timeframe. The Department and Contractor shall work together to define and mutually agree to the content and frequency of the status report.

On a biweekly basis, or other frequency requested by the Department, the Contractor and Department shall meet to review the status of maintenance and modification activities, discuss, and resolve questions and/or issues, and to review and revise priorities as needed.

8.14.3 DMAS Inspection of FAMIS System

The Department shall maintain the right to audit and verify that the eligibility rules within the FAMIS system comply with program requirements and guidelines. The Department shall provide reasonable notice to the Contractor of its intent to conduct a review of the system during normal business hours. Any audit by the Department shall not interfere with Contractor's provision of services or Contractor's ability to meet the Performance Standards under the Contract. The Contractor shall work with the Department to prepare for the audit. The Department shall provide the Contractor with a report of its audit findings within a mutually agreed to period after the completion of the review. The Contractor shall respond to the audit findings within a mutually agreed to timeframe.

The Department and Contractor shall work together to define any required corrective actions and timelines to implement the corrective action in accordance with the cure period provisions set forth in Section 10.1.8 of this RFP. In the event the review identifies significant problems that impact(s) the accuracy of eligibility decisions, the Contractor shall develop and implement operations workaround processes and procedures within a mutually agreed to time frame. The Contractor shall continue to utilize the workaround processes and procedures until such time that the Department approves the migration of system modifications required to correct the problem into the production environment.

8.15 FAMIS Public Website

8.15.1 General Requirements

The Department has secured a domain name and established a public website for the FAMIS program located at www.FAMIS.org. The Contractor shall develop, maintain, update, host, and administer all FAMIS website activities pursuant to guidelines set forth by the Department. The Contractor shall also modify the FAMIS website as necessary to comply with all required Commonwealth of Virginia website standards and accessibility standards (<http://www.vita.virginia.gov/docs/websiteStandards.cfm>) prior to the contract implementation date.

The FAMIS website content shall include at a minimum all current content such as:

- General program information about:

- FAMIS and FAMIS MOMS including eligibility, cost sharing, covered services, and how to apply
- FAMIS Plus and Medicaid for Pregnant Women as appropriate
- Health plans
- Subprograms such as *Smiles For Children* and *FAMIS Select*
- Preventative care
- Special marketing campaigns
- Reports and notices
- The Children's Health Insurance Program Advisory Committee
- Training
- Marketing and outreach contact information
- Frequently asked questions
- Links to other resource sites
- An English and Spanish version of the public website;
- A secure electronic application for FAMIS, FAMIS Plus, FAMIS MOMS, and Medicaid for Pregnant Women;
- An on-line material order form that submits bulk materials order request to the Department's mail-house via e-mail;
- PDFs of forms, brochures, flyers, posters;
- Electronic files of FAMIS TV and radio ads; and
- A mechanism for visitors to send secure questions and comments to the Contractor.

The Contractor shall host the FAMIS website on a server with connectivity to the internet sufficient to handle the website traffic. The FAMIS website is expected to be available to the public 24 hours a day and seven days a week and should not be taken down for maintenance without prior approval.

The website is currently developed in ColdFusion and hosted on a Windows IIS server that is connected to a SQL database server.

8.15.2 Website Maintenance

The Contractor shall post update materials and implement changes to copy provided by the Department on a mutually agreed upon timeframe based on the level of effort and the urgency of need. These modifications will be made to both the English and Spanish versions of the FAMIS website. For the Spanish FAMIS website, the Contractor shall use Department provided translations of copy and materials.

The Contractor shall provide a minimum of twenty (20) hours of time on a monthly basis to be used for FAMIS website maintenance at no additional charge to the Department. If the Department does not utilize the twenty (20) hours allocated for a month, the unused hours will carry over to the next month and can be used through the end of the term of the contract period for a total annual maximum of 240 hours. The Contractor shall notify the Department and seek approval before utilizing more than the allocated twenty (20) maintenance hours for maintenance in any given month.

Development time and costs associated with modifying the FAMIS website to comply with the Commonwealth's website standards and accessibility requirements shall be included in the implementation plan, at no additional cost to DMAS and should not be included in the monthly maintenance hours. The Department and the Contractor shall discuss and mutually agree on costs for any other website projects which exceed the 240 annual website maintenance hours.

The Contractor will also make available an administrative website that allows Department staff to review and approved test pages before the Contractor places them into the production environment. The administrative website shall also provide remote access to Department staff to post documents and edit copy on mutually agreed upon pages of the website as needed. The Contractor shall also use this administrative site to post website related monthly and quarterly reports for use by the Department.

8.15.3 FAMIS Electronic Application

A user-friendly FAMIS E-application shall be available on a secure, HIPAA compliant section of the FAMIS website in both Spanish and English. The E-application should allow applicants to submit an application electronically through a secure transmission directly to the FAMIS CPU. All E-application data should be loaded into the FAMIS system daily without additional data entry.

In addition to the information collected on the Department's application, the E-application shall:

- Include a brief survey to assess how applicants heard about FAMIS, when they heard about FAMIS and from what general location (i.e. home, work, library, etc.) are they accessing the E-application via the FAMIS website;
- Provide help windows to display additional information and examples;
- Display alert and warning messages as needed; and
- Allow Managed Care Organization (MCO) enrollment preference.

Once an electronic application is submitted on-line, applicants are required to also submit a confirmation page which serves as their signature for the E-application and any additional required verification needed for a complete eligibility determination. Currently, the confirmation page and other required verifications can only be submitted by mail or fax.

At a minimum, the Contractor shall provide for this functionality for the E-application. However, responses to this RFP should also include a separate cost analysis that includes but is not limited to the following enhancements to the FAMIS E-application:

- Ability for applicants to securely save partially completed applications for a specified period of time and access later to complete the application;
- Acceptance of electronic signatures;
- Ability for renewing families to access a pre-filled renewal application that can be reviewed, edited, and submitted on-line;
- Transmission of additional verifications of income or other verifications required for a determination of eligibility; and

- HIPAA compliant e-mail response to applicants on the disposition of E-applications submitted or online confirmations of eligibility.

8.15.4 Website Reporting

The Contractor shall report monthly and quarterly on website utilization statistics such as volumes of hits, average time per visit, most accessed pages, and most downloaded documents as well as E-application survey data to track and identify trends. The Contractor shall also maintain a detailed maintenance log of all modifications to the FAMIS website by the Contractor and the hours used to complete the modifications. This maintenance log shall be reported to the Department on a monthly basis and be available on the administrative website.

8.15.5 Ownership

The Department shall have all ownership rights, title, and interest, including ownership of copyright, in all work products created, designed, developed, derived, documented, installed, or delivered to the FAMIS website. The Contractor shall do all things necessary to provide the Department with royalty-free, non-exclusive and unlimited rights to use, disclose, reproduce, or publish, for any purpose whatsoever, all said work products. Clips and photos purchased by the Contractor are generally non-transferable and shall remain with the Contractor. The Contractor shall furnish such information and data upon request by the Department, in accordance with this Contract and applicable state law.

8.16 Telephone System Requirements -

8.16.1 Automated Call Distribution System

The Contractor shall establish, operate and maintain a telephone Call Center with sufficient dedicated toll-free (800) telephone lines to handle the estimated volume of callers to the FAMIS CPU. The Contractor shall utilize an Automated Call Distribution system that ensures the requirements in Section 3.4 are met, and other requirements necessary to perform the duties as described in this RFP.

8.16.2 Back up phone system

The Contractor shall also provide a back-up telephone system that will operate in the event of line trouble or other problems so that access to the toll-free line is not disrupted. The back-up telephone system shall be available in-house for minor disruptions. For disruptions of more than 72 hours the back up phone system may be located outside the Commonwealth of Virginia, with Department approval.

9 PAYMENT PROVISIONS

9.1 Administrative Payments

Administrative payments shall be made based on an approved invoice submitted to the Department. The invoice shall include a description of the services performed and the date the services were performed. Once the services or products are delivered and approved by

the Department, the Contractor shall invoice the Department for the amount indicated pursuant to the Contract. Invoices shall be submitted to:

**Department of Medical Assistance Services
Maternal and Child Health Division
Suite 1300
600 E. Broad Street
Richmond, VA 23219**

9.2 Invoice Preparation

All invoices shall show the state contract number and/or purchase order number, Department's project number, social security number (for individual Contractors), or the federal employer identification number (for proprietorships, partnerships, and corporations.) Total Contract payments shall not exceed Contract limits.

9.3 Payment Terms

Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. However, this shall not affect offers of discounts for payment in less than 30 days.

9.4 Public Funds

All goods or services provided under this Contract that are to be paid for with public funds, shall be billed by the Contractor at the negotiated Contract price, regardless of which public agency is being billed.

9.5 Date of Payment

The following shall be deemed the date of payment:

- Date of postmark in all cases where payment is made by mail, or
- Date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.

10 ASSESSMENT OF LIQUIDATED DAMAGES

10.1 Nonperformance of Operations Requirements

Performance Standards and Remedy for Nonperformance shall be based on a monthly average for each single calendar month. The Contractor shall be responsible for reporting performance standards as set forth in Section 10.1 to the Department on a monthly basis, in a mutually agreed upon format approved by the Department.

10.1.1 FAMIS Eligibility Determination and Enrollment

a. New or Renewal Applications Processed within 12 Business Days

1. If in any month the Contractor fails to process ninety-five percent (95%) of completed new or annual renewal FAMIS applications, within twelve (12) business days of receipt of the completed application, the Contractor shall be subject to an assessment of liquidated damages not to exceed \$4,000 for the month during which the standard was not achieved.

2. Should the Contractor fail to achieve the standard in any additional month following the month in which liquidated damages were first assessed, the Contractor shall be subject to an assessment of liquidated damages not to exceed \$8,000 for each additional month within the Contract year during which the standard was not achieved.
3. In the event the Contractor fails to meet this performance standard for any four (4) months within the Contract term, the Department may execute the cure period provisions set forth in Statement of Work Section 10.1.8. Liquidated damages shall not be assessed until the provisions set forth in Statement of Work Section 10.1.8 have been executed.

b. Application Deficiencies Determined within 12 Business Days

1. If in any month the Contractor fails to determine ninety-five percent (95%) of application deficiencies based on Department-approved criteria within twelve (12) business days of receipt of an application, the Contractor shall be subject to an assessment of liquidated damages not to exceed \$4,000 for the month during which the standard was not achieved.
2. Should the Contractor fail to achieve the standard in any additional month following the month in which liquidated damages were first assessed, the Contractor shall be subject to an assessment of liquidated damages not to exceed \$8,000 for each additional month within the Contract year during which the standard was not achieved.
3. In the event the Contractor fails to meet this performance standard for any four (4) months within the Contract term, the Department may execute the cure period provisions set forth in Statement of Work Section 10.1.8. Liquidated damages shall not be assessed until the provisions set forth in Statement of Work Section 10.1.8 have been executed.

10.1.2 FAMIS MOMS Eligibility Determination and Enrollment

a. New or Renewal Applications Processed within 8 Business Days

1. If in any month the Contractor fails to process ninety-five percent (95%) of completed new or redetermination FAMIS MOMS applications, within eight (8) business days of receipt of the completed application, the Contractor shall be subject to an assessment of liquidated damages not to exceed \$4,000 for the month during which the standard was not achieved.
2. Should the Contractor fail to achieve the standard in any additional month following the month in which liquidated damages were first assessed, the Contractor shall be subject to an assessment of liquidated damages not to exceed \$8,000 for each additional month within the Contract year during which the standard was not achieved.
3. In the event the Contractor fails to meet this performance standard for any four (4) months within the Contract term, the Department may execute the cure period provisions set forth in Statement of Work Section 10.1.8. Liquidated damages shall not be assessed until the provisions set forth in Statement of Work Section 10.1.8 have been executed.

b. Application Deficiencies Determined within 8 Business Days

1. If in any month the Contractor fails to determine ninety-five percent (95%) of FAMIS MOMS application deficiencies based on Department-approved criteria within eight (8) business days of receipt of an application, the Contractor shall be subject to an assessment of liquidated damages not to exceed \$4,000 for the month during which the standard was not achieved.
2. Should the Contractor fail to achieve the standard in any additional month following the month in which liquidated damages were first assessed, the Contractor shall be subject to an assessment of liquidated damages not to exceed \$8,000 for each additional month within the Contract year during which the standard was not achieved.
3. In the event the Contractor fails to meet this performance standard for any four (4) months within the Contract term, the Department may execute the cure period provisions set forth in Statement of Work Section 10.1.8. Liquidated damages shall not be assessed until the provisions set forth in Statement of Work Section 10.1.8 have been executed.

10.1.3 Correctly Determine Eligibility for FAMIS/FAMIS MOMS coverage

- a. If in any month the Contractor fails to correctly determine eligibility or non-eligibility for coverage in at least 95% of processed applications, the Contractor shall be subject to an assessment of liquidated damages not to exceed \$10,000 for the month during which the standard was not achieved.
- b. Should the Contractor fail to achieve this standard in any additional month following the month in which liquidated damages were first assessed, the Contractor shall be subject to an assessment of liquidated damages not to exceed \$15,000 for each additional month within the Contract year during which the standard was not achieved.
- c. In the event the Contractor fails to meet this performance standard for any four (4) months within the Contract term, the Department may execute the cure period provisions set forth in Statement of Work Section 10.1.8. Liquidated damages shall not be assessed until the provisions set forth in Statement of Work Section 10.1.8 have been executed.

10.1.4 Customer Service Call Center

a. Average Waiting Time of less than 90 Seconds

1. If in any month the Contractor fails to maintain an average waiting time of less than ninety (90) seconds for ninety percent (90%) of calls received, the Contractor shall be subject to an assessment of liquidated damages not to exceed \$4,000 for the month during which the standard was not achieved.
2. Should the Contractor fail to achieve this standard in any additional month following the month in which liquidated damages were first assessed, the Contractor shall be subject to an assessment of liquidated damages not to exceed \$8,000 for each additional month within the Contract year during which the standard was not achieved.
3. In the event the Contractor fails to meet this performance standard for any four (4) months within the Contract term, the Department may execute the cure period

provisions set forth in Statement of Work Section 10.1.8. Liquidated damages shall not be assessed until the provisions set forth in Statement of Work Section 10.1.8 have been executed.

b. Call Abandonment Rate of 5%

1. If in any month the Contractor fails to maintain a call abandonment rate of five percent (5%) or less on an average weekly basis, the Contractor shall be subject to an assessment of liquidated damages not to exceed \$4,000 for the month during which the standard was not achieved.
2. Should the Contractor fail to achieve this standard in any additional month following the month in which liquidated damages were first assessed, the Contractor shall be subject to an assessment of liquidated damages not to exceed \$8,000 for each additional month within the Contract year during which the standard was not achieved.
3. In the event the Contractor fails to meet this performance standard for any three (3) months within the Contract term, the Department may execute the cure period provisions set forth in Statement of Work Section 10.1.8. Liquidated damages shall not be assessed until the provisions set forth in Statement of Work Section 10.1.8 have been executed.

10.1.5 Document Management Process

Failure to properly handle all mail received at the FAMIS post office mailbox daily, including timely mail pick up or financial obligations which prevent daily receipt of FAMIS mail shall result in liquidated damage of \$100 per calendar day for each day that the failure occurs.

10.1.6 Appeals Process

Failure to submit appeals summaries shall result in a liquidated damage of \$100 per calendar day for each day that the appeal summary is late. Failure to attend or defend the contractor's decisions at all appeal hearings or conferences shall result in a liquidated damage of \$100 per calendar day for each day that the hearing or conference is delayed as a result of the Contractor's noncompliance.

10.1.7 Management Reports

- a. If in any month the Contractor fails to deliver required reports, as defined in Exhibit IV to the Department by the close of business on the date due defined in Section 7.6.5. (in the event the due date falls on a non-business day, the due date shall be the next business day following the agreed upon due date), the Contractor shall be subject, at the discretion of the Contract Manager, to assessment of liquidated damages not to exceed \$100 for each working day that the report is late (days 1 through 7).
- b. Should the Contractor fail to deliver the Report within one week of the date due (days 8 and thereafter), the Contractor shall be subject to liquidated damages not to exceed \$200 for each additional day that the report is late.

10.1.8 Cure Period

- a. In the event the Contractor fails to meet a specific performance standard set forth in this Section of the Contract, the Department shall provide the Contractor with written notification of the nature of the failure with the specific performance standard (referred to as “date of notification”). This notification shall occur at the time the Department first identifies the performance deficit, which shall not be more than one month following the actual failure.
- b. The Contractor shall have five (5) business days from the date of notification to submit to the Department a written corrective action plan that details how the performance deficit shall be cured, or to provide evidence that there is no performance deficit. The Contractor shall have thirty (30) days from the date of notification to correct the identified performance standard deficit (referred to as the “Cure Period”).
- c. At the end of the Cure Period, the Department and the Contractor shall perform a joint evaluation to assess the success of the corrective action plan. The Department shall have five (5) business days to notify the Contractor in writing that the Contractor has corrected the performance standard deficit or that the performance standard deficit still exists.
- d. In the event that the performance standard deficit has not been corrected during the Cure Period, the Department may assess liquidated damages retroactively to the month of the performance standard deficit(s) identified in the Department’s written notification or, if the Department determines that substantial progress has been made toward correcting the performance standard, may extend the Cure Period for up to an additional 30 days.
- e. In the event the Contractor successfully cures the performance standard deficit(s), liquidated damages shall no longer be in effect.
- f. In the event the Contractor cures a fourth (4th) month of a deficit in the current Contract year and subsequently fails to perform in a fifth (5th) or greater month, the Department shall have the right to assess to liquidated damages retroactively through the first month of the performance standard deficit(s) in the current Contract year without an additional Cure Period, except for the abandonment rate performance standard under which case this provision would take effect in the fourth (4th) month or greater.

10.2 Maximum Liquidated Damage Assessments

1. Damages assessed shall not exceed \$25,000 per calendar month. A maximum of \$250,000 in assessed damages shall be in effect during the contract period.
2. For purposes of determining the applicable liquidated damage assessment for more than one failure to achieve a particular performance standard hereunder, each contract year shall constitute a separate period for measuring the number of failures to achieve such performance standard.
3. If any failure to meet a Performance Standard is directly and solely attributable to: (i) a force majeure event; or (ii) actions or omissions of the Department or a breach by the Department of this Contract, the Department shall not be entitled to liquidated damages.

4. If any single failure by Contractor creates a situation where Contractor is assessed liquidated damages for failure to meet multiple Performance Standards, then Contractor shall only be liable to the Department for the failure of the Performance Standard that reflects the highest liquidated damage amount.
5. DMAS may, in its sole discretion, waive the imposition of all or part of the liquidated damages or sanction for any non-performance under the contract resulting from this RFP. The waiver of any liquidated damages or sanction by DMAS shall not constitute the waiver of any other liquidated damages or sanction for any other non-performance under the contract resulting from this RFP.

11 PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS

Each Offeror shall submit a separate Technical Proposal and a Cost Proposal in relation to the requirements described in this RFP. The following describes the general requirements for each proposal and the specific requirements for the Technical Proposal and the Cost Proposal.

General Requirements for Technical Proposals and Cost Proposals

11.1 Overview

Both the Technical Proposal and the Cost Proposal shall be developed and submitted in accordance with the instructions outlined in this section. The Offeror's proposals shall be prepared simply and economically, and they shall include a straightforward, concise description of the Offeror's capabilities that satisfy the requirements of the RFP. Although concise, the proposals should be thorough and detailed so that DMAS may properly evaluate the Offeror's capacity to provide the required services. All descriptions of services should include an explanation of proposed methodology, where applicable. The proposals may include additional information that the Offeror considers relevant to this RFP.

The proposals shall be organized in the order specified in this RFP. A proposal that is not organized in this manner risks elimination from consideration if the evaluators, at their sole discretion, are unable to find where the RFP requirements are specifically addressed. Failure to provide information required by this RFP may result in rejection of the proposal.

11.2 Critical Elements of the Technical Proposal

The Offeror must cross reference its technical proposal with each requirement listed in this RFP. In addition, the Offeror must assure that the following documentation is included in the proposal:

Implementation Plan: Submit a detailed implementation plan demonstrating the Offeror's proposed schedule to implement the FAMIS Program no later than 30 days after the contract is signed.

Implementation Schedule: The Contractor shall implement the FAMIS Program described in this RFP no later than August 1st, 2007. The Contractor shall provide a detailed implementation and work plan, including deliverables and timelines, as part of the proposal. If applicable, the Contractor's implementation plan must also include a work plan for the transition of calls and data from the current Contractor. A comprehensive report on the status of each subtask, tasks, and deliverables in the work plan will be provided to the Department by the Contractor every week during implementation.

Processing Center: Submit a detailed description of how the Offeror will staff and operate a toll-free processing/call center. The plan must describe the information and assistance that will be provided by staff.

Staffing: The Contractor must submit a detailed description of the staffing plan, which describes the types of personnel who shall be hired for each production unit of the operations, how staff shall be compensated (hourly, wage, temporary), and how the staff shall be supervised and monitored. This section shall also include a description of the Contractor's plan for staff training, including components and length of training curriculum, a plan for on-going training, and a proposal of a Training Guide and Procedures Manual.

Auditing: Submit a description of how all activities will be audited and how processing center responses will be monitored to ensure accuracy of information provided to callers. This section must also describe a plan to ensure confidentiality of records.

Transition of Care: Submit a detailed description of how the Offeror will minimize disruption to enrollees particularly in relation to start-up transition of issues.

Quality Management: The Contractor must submit a detailed description of the process and program, including submission of standard and proposed reporting packages.

11.3 Binding of Proposal

The Technical Proposal shall be clearly labeled "Technical Proposal" on the front cover. The Cost Proposal shall be clearly labeled "Cost Proposal" on the front cover. The legal name of the organization submitting the proposal shall also appear on the covers of both the Technical Proposal and the Cost Proposal.

The proposals shall be typed, bound, page-numbered, single-spaced with a 12-point font on 8 1/2" x 11" paper with 1" margins and printed on one side only. Each copy of the Technical Proposal and each copy of the Cost Proposal and all documentation submitted shall be contained in single three-ring binder volumes where practical. A tab sheet keyed to the Table of Contents shall separate each major section. The title of each major section shall appear on the tab sheet.

The Offeror shall submit an original and six (6) copies of the Technical Proposal and one original of the Cost Proposal by the response date and time specified in this RFP. Each

copy of the proposal shall be bound separately. This submission shall be in a sealed envelope or sealed box clearly marked "RFP 2007-02 Technical Proposal". In addition, the original of the Cost Proposal shall be sealed separately and clearly marked "RFP 2007-02 Cost Proposal" and submitted by the response date and time specified in this RFP. The Cost Proposal forms in ATTACHMENT VI shall be used. The Offeror shall also submit one electronic copy (compact disc preferred) of their Technical Proposal in MS Word format (Microsoft Word 2000 or compatible format) and of their Cost Proposal in MS Excel format (Microsoft Word 2000 or compatible format). In addition, the Offeror shall submit a redacted (proprietary and confidential information removed) electronic copy of their Technical Proposal and their Cost Proposal.

11.4 Table of Contents

The proposals shall contain a Table of Contents that cross-references the RFP requirements. Each section of the Technical Proposal shall be cross-referenced to the appropriate section of the RFP that is being addressed. This will assist DMAS in determining uniform compliance with specific RFP requirements.

11.5 Submission Requirements

All information requested in this RFP shall be submitted in the Offeror's proposals. A Technical Proposal shall be submitted and a Cost Proposal shall be submitted in the Offeror's collective response. The proposals will be evaluated separately. By submitting a proposal in response to this RFP, the Offeror certifies that all of the information provided is true and accurate.

All data, materials and documentation originated and prepared for the Commonwealth pursuant to this RFP belong exclusively to the Commonwealth and shall be subject to public inspection in accordance with the Virginia Freedom of Information Act. Confidential information shall be clearly marked in the proposal and reasons the information should be confidential shall be clearly stated.

Trade secrets or proprietary information submitted by an Offeror are not subject to public disclosure under the Virginia Freedom of Information Act; however, the Offeror shall invoke the protections of §2.2-4342(F) of the Code of Virginia, in writing, either before or at the time the data is submitted. The written notice shall specifically identify the data or materials to be protected and state the reasons why protection is necessary.

The proprietary or trade secret materials submitted shall be identified by some distinct method such as highlighting or underlining and shall indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line item prices and/or total proposal prices as proprietary or trade secrets is not acceptable and, in the sole discretion of DMAS, may result in rejection and return of the proposal.

All information requested by this RFP on ownership, utilization and planned involvement of small businesses shall be submitted with the Technical Proposal.

11.6 Transmittal Letter

The transmittal letter shall be on official organization letterhead and signed by the individual authorized to legally bind the Offeror to contract agreements and the terms and conditions contained in this RFP. The organization official who signs the proposal transmittal letter shall be the same person who signs the cover page of the RFP and Addenda.

At a minimum, the transmittal letter shall contain the following:

1. A statement that the Offeror meets the required conditions to be an eligible candidate for the contract award including:
 - a) The Offeror must identify any contracts or agreements they have with any state or local government entity that is a Medicaid and/or Title XXI State Child Health Insurance Program provider or Contractor and the general circumstances of the contract or agreement. This information will be reviewed by DMAS to ensure there are no potential conflicts of interest;
 - b) Offeror must be able to present sufficient assurances to the state that the award of the contract to the Offeror will not create a conflict of interest between the Contractor, the Department, and its subcontractors; and
 - c) The Offeror must be licensed to conduct business in the state of Virginia.
2. A statement that the Offeror has read, understands and agrees to perform all of the Contractor responsibilities and comply with all of the requirements and terms set forth in this RFP, any modifications of this RFP, the Contract and Addenda;
3. The Offeror's general information, including the address, telephone number, and facsimile transmission number;
4. Designation of an individual as the authorized representative of the organization who will interact with DMAS on any matters pertaining to this RFP and the resultant Contract; and
5. A statement agreeing that the Offeror's proposal shall be valid for a minimum of 180 days from its submission to DMAS.

11.7 Signed Cover Page of the RFP and Addenda

To attest to all RFP terms and conditions, the authorized representative of the Offeror shall sign the cover page of this RFP, as well as the cover page of the Addenda, if issued, to the RFP, and submit them along with its proposal.

11.8 Procurement Contact

The principal point of contact for this procurement in DMAS shall be:

Janice Holmes
Division of Maternal and Child Health Insurance
Department of Medical Assistance Services
600 East Broad Street, Suite 1300
Richmond, Virginia 23219
Email: FAMISCPU@dmass.virginia.gov

All communications with DMAS regarding this RFP should be directed to the principal point of contact. All RFP content-related questions shall be in writing to the principal point of contact or the DMAS Contract Management Officer. An Offeror who communicates with any other employees or contractors of DMAS concerning this RFP after issuance of the RFP may be disqualified from this procurement.

11.9 Submission and Acceptance of Proposals

The proposals, whether mailed or hand delivered, shall arrive at DMAS no later than 2:00pm, March 13, 2007. DMAS shall be the sole determining party in establishing the time of arrival of proposals. Late proposals shall not be accepted and shall be automatically rejected from further consideration. The address for delivery is:

Proposals may be sent by US mail, Federal Express, UPS, etc. to:

Attention: Chris Banaszak
Department of Medical Assistance Services
600 East Broad Street, Suite 1300
Richmond, VA 23219

Hand Delivery or Courier to:

Attention: Chris Banaszak
Department of Medical Assistance Services
7th Floor DMAS Receptionist
600 East Broad Street
Richmond, VA 23219

If DMAS does not receive at least one responsive proposal as a result of this RFP, DMAS reserves the right to select a Contractor that best meets DMAS' needs. DMAS management shall select this Contractor. DMAS also reserves the right to reject all proposals. DMAS reserves the right to delay implementation of the RFP if a satisfactory Contractor is not identified or if DMAS determines a delay is necessary to ensure implementation goes smoothly without service interruption. Information will be posted on the DMAS web site at <http://www.dmas.virginia.gov/> and the eVA web site at <http://www.eva.state.va.us>

Oral Presentation and Site Visit

DMAS may require one or more oral presentations by an Offeror in response to questions DMAS has about the Offeror's proposal. An oral presentation means that the Offeror is telephonically or physically present in a DMAS designated meeting room. DMAS will allow a minimum three-business day advance notice to the Offeror prior to the date of the oral presentation. Expenses incurred as part of the oral presentation shall be the Offeror's responsibility.

DMAS may make one or more on-site visits to see the Offeror's operation of another contract. DMAS shall be solely responsible for its own expenses for travel, food and lodging.

11.10 Technical Proposal

The following describes the required format, content and sequence of presentations for the Technical Proposal:

11.10.1 Chapter One: Executive Summary

The Executive Summary Chapter shall highlight the Offeror's:

1. Understanding of the project requirements.
2. Qualifications to serve as the DMAS Contractor for the project.
3. Overall Approach to the project and a summary of the contents of the proposal.

11.10.2 Chapter Two: Corporate Qualifications and Experience

Chapter Two shall present the Offeror's qualifications and experience to serve as the Contractor. Specifically, the Offeror shall describe its:

1. Organization Status:

- a) Name of Project Director for this Contract;
- b) Name, address, telephone number, fax number, and e-mail address of the legal entity with whom the contract is to be written;
- c) Federal employer ID number;
- d) Name, address, telephone numbers of principal officers (president, vice-president, treasurer, chair of the board of directors, and other executive officers);
- e) Name of the parent organization and major subsidiaries;
- f) Major business services;
- g) Legal status and whether it is a for-profit or a not-for-profit company;
- h) A list of board members and their organizational affiliations;
- i) Current organization chart; and
- j) Any specific licenses and accreditation held by the Offeror.

2. Corporate Experience:

- a) Offeror's overall qualifications to carry out a project of this nature and scope.
- b) The Offeror shall describe the background and success of the Offeror's organization and experience in performing SCHIP administrative services and call center operations, specifically implementing state, local or regional programs.
- c) The Offeror's knowledge of the Medicaid and/or FAMIS recipient populations and the communities.
- d) For each experience with operating, managing, or contracting for the provision of administrative services or other human services, the Offeror shall indicate the contract or project title, dates of performance, scope and complexity of contract, and customer references (see below).
- e) Any other related experience the Offeror feels is relevant shall be included.
- f) The Offeror shall indicate whether the Offeror has had a contract terminated for any reason within the last five years.
- g) The Offeror also shall indicate if a claim was made on a payment or performance bond. If so, the Offeror shall submit full details of the termination and the bonds

including the other party's name, address, and telephone number.

3. References:

- a) Two customers or participants who will substantiate the Offeror's qualifications and capabilities to perform the services required by the RFP.
- b) Two customers or participants who can attest to the Offeror's experience with interface files for data loads.
- c) Contact information for all administrative services contracts for Medicaid or SCHIP products and any Virginia based non-Medicaid groups the Offeror chooses to include, held by the Offeror at any time since January 1, 1999.
- d) A letter from any other State with a similar contract, which includes the Offeror's current compliance status.

The Offeror shall complete the Reference Form in ATTACHMENT VII for each reference and contract, which includes the contract name, address, telephone number, contact person, and periods of work performance.

4. Financial Stability:

The Offeror shall submit evidence of financial stability. The Offeror should submit one of the following financial reports:

- a) For a publicly held corporation, a copy of the most recent three years of audited financial reports and financial statements with the name, address, and telephone number of a responsible person in the Offeror's principal financial or banking organization, or
- b) For a privately held corporation, proprietorship, or partnership, financial information for the past three years, similar to that included in an annual report, to include, at a minimum, an income statement, a statement of cash flows, a balance sheet, and number of years in business, as well as the name, address, and telephone number of a contact in the Offeror's principal financial or banking organization and its auditor.

11.10.3 Chapter Three: Tasks and Technical Approach

The Offeror shall fully describe how it intends to meet all of the tasks required in Section 3 of this RFP and Technical Proposal requirements listed in Sections 3 through Section 11.10 of this RFP. DMAS does not want a "re-write" of the RFP requirements. Specifically, the Offeror shall describe in detail its proposed approach for each of the required tasks listed in Section 3 and Technical Proposal requirements in Section 11.10 including any staff, systems, procedures, or materials that will be used to perform these tasks. This includes how each task will be performed, what problems need to be overcome, what functions the staff will perform, and what assistance will be needed from DMAS, if any.

Note: DMAS welcomes new and innovative approaches to the FAMIS administrative program services. While fully addressing the objectives throughout this RFP, the Offeror may also include alternate approaches for DMAS consideration. Additional services can be

addressed as long as a separate line item for the associated costs is submitted with the proposal.

11.10.4 Chapter Four: Staffing

The proposal shall describe the following:

1. Staffing Plan: The Offeror shall provide a functional organizational chart of the proposed project structure and organization, indicating the lines of authority for proposed staff directly involved in performance of this contract and relationships of the staff to each function of the organization. The staffing plan shall indicate the number of proposed FTEs by position and an estimate of hours to be committed to the project by each staff position. The plan shall also show the number of staff to be employed by the Contractor and staff to be obtained through subcontracting arrangements. Contact information must be provided for all key staff involved in the implementation and ongoing management of the program.

Offerors must submit 2 references for each proposed key staff member, showing work for previous participants who have received similar services to those proposed by the Offeror for this contract. Each reference must include the name of the contact person, address, telephone number and description of services provided.

2. Staff Qualifications and Résumés: Job descriptions for all key staff on the project including qualifications, experience and/or expertise required should be included. Resumes limited to two pages must be included for key staff. The resumes of personnel proposed must include qualifications, experience, and relevant education, professional certifications and training for the position they will fill.
3. Office Location: A description of the geographical location of the central business office and processing center shall be included. In addition, the hours of operation should be noted as applicable to this contract.

11.10.5 Chapter Five: Project Work Plan

The proposal shall describe the following:

Work Plan and Project Management: The proposal shall include a work plan (Microsoft Project 2000 or compatible version) detailing the sequence of events and the time required to implement this project no later than August 1st, 2007. The relationship between key staff and the specific tasks and assignments proposed to accomplish the scope of work shall also be included. A PERT, Gantt, or Bar Chart that clearly outlines the project timetable from beginning to end shall be included in the proposal. Key dates and key events relative to the project shall be clearly described on the chart including critical path of tasks. The Offeror shall describe its management approach and how its proposed work plan will be executed.

Progress Reports: Upon award of a contract, the Contractor must prepare a written progress report, as well as telephonic meetings, every week or more frequently as necessary and

present this report to the Director, Division of Maternal and Child Health or his designee. The report must include:

1. Status of major activities and tasks in relation to the Contractor's work plan, including specific tasks completed for each part of the project.
2. Target dates for completion of remaining or upcoming tasks/activities.
3. Any potential delays or problems anticipated or encountered in reaching target dates and the reason for such delays.
4. Any revisions to the overall work schedule.

11.11 RFP Schedule of Events

The following RFP Schedule of Events represents the State's maximum timeframe that shall be followed for implementation of the program.

EVENT	DATE
State Issues RFP	February 8, 2007
Preproposal Conference	February 20, 2007
Deadline for Written Comments	February 20, 2007
State Issues Responses to Written Comments	February 23, 2007
Deadline for Submitting a Proposal to the Department	March 13, 2007
Intent to Award	April 13, 2007
Contract Signed and Approved	April 24, 2007
Readiness Review Begins	June 25, 2007
Implementation Date	August 1, 2007

If it becomes necessary to revise any part of this RFP, or if additional data is necessary for an interpretation of provisions of this RFP prior to the due date for proposals, an addendum will be issued by the Department. If supplemental releases are necessary, the Department reserves the right to extend the due dates and time for receipt of proposals to accommodate such interpretations of additional data requirements. The RFP and subsequent information will be listed on the DMAS web site, <http://www.dmas.virginia.gov/> and the eVA web site at <http://www.eva.state.va.us>

12 PROPOSAL EVALUATIONS AND AWARD CRITERIA

DMAS will conduct a comprehensive, fair, and impartial evaluation of the Technical and Cost Proposals received in response to this RFP. The Evaluation Team will be responsible for the review and scoring of all proposals. This group will be responsible for the recommendation to the DMAS Director.

12.1 Evaluation of Minimum Requirements

DMAS will initially determine if each proposal addresses the minimum RFP requirements to permit a complete evaluation of the Technical and Cost Proposals. Proposals shall comply with the instructions to Offerors contained throughout this RFP. Failure to comply with the instructions shall deem the proposal non-responsive and subject to disqualification without further consideration. DMAS reserves the right to waive minor irregularities.

The minimum requirements for a proposal to be given consideration are:

RFP Cover Sheet: This form shall be completed and properly signed by the authorized representative of the organization.

Closing Date: The proposal shall have been received, as provided in Section 11.9, before the closing of acceptance of proposals in the number of copies specified.

Compliance: The proposal shall comply with the entire format requirements described in the Technical Proposal and Cost Proposal requirements described in Section 11.

Mandatory Conditions: All mandatory General and Specific Terms and Conditions contained in Sections 13 and 14 shall be accepted.

Small Business Utilization – Summarize the planned utilization of DMBE certified small businesses under the contract to be awarded as a result of this solicitation. (ATTACHMENT VIII)

12.2 Proposal Evaluation Criteria

DMAS will not provide information to the Offerors on the specific weight of each of these evaluation criteria until the date the proposals are due. Proposals will be evaluated by DMAS using the following criteria:

1. Experience

Describe the experience of the Offeror in performing administrative services and call center operations.

- Experience of the Offeror in working with indigent populations, particularly Medicaid and FAMIS, or other healthcare populations.
- Experience of the Offeror in performing services within the past year(s) most comparable to the Offeror's proposal, to include a description of the type, size, and duration of previous experience.

2. Technical Proposal

Demonstration in the written proposal of the Offeror's ability, facilities and capacity to provide all required services in a timely, efficient and professional manner.

- Clarity and thoroughness of the Offeror's proposal in addressing the components of the RFP and implementing them as described and on schedule.
- Proposed project management of the resources available to the Offeror for meeting the requirements of the RFP

3. Staffing

Describe the experience and expertise of specific staff assigned to the contract.

- Prior experience of staff with similar projects.
- Qualifications of staff.
- Appropriateness of the relationship between staff qualifications and assigned responsibilities.

4. Quality of References

- References who clearly address the nature of the work performed by the Offeror.
- References who exhibit satisfaction with the work performed by the Offeror.
- Contacts for other contracts who exhibit satisfaction with the work performed by the Offeror.

5. Small Business Subcontracting Plan - see ATTACHMENT VIII

6. Cost

The cost proposal shall be evaluated taking into consideration:

- The fixed fee cost proposal – see ATTACHMENT VI.
- Start-up Costs

For purpose of evaluation, cost proposals for the Offerors FAMIS Administrative Services, Responsibilities to Co-Located DMAS Staff plus any start-up costs will be combined for total contract value. The lowest cost proposal shall be scored the maximum number of evaluation points for cost. All other cost proposals shall be evaluated and assigned points for cost in relation to the lowest cost proposal. Although cost proposals are evaluated and weighted, they are not the sole deciding factor for the RFP.

13 GENERAL TERMS AND CONDITIONS

13.1 Vendors Manual

This solicitation is subject to the provisions of the Commonwealth of Virginia *Vendors Manual* and any changes or revisions thereto, which are hereby incorporated into this contract in their entirety. The procedure for filing contractual claims is in section 7.19 of the *Vendors Manual*. A copy of the manual is normally available for review at the purchasing office and is accessible on the Internet at www.dgs.state.va.us/dps under “Manuals.”

13.2 Applicable Laws and Courts

This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The agency and the Contractor are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using Alternative Dispute Resolution (ADR) procedures (*Code of Virginia*, §2.2-4366). ADR procedures are described in Chapter 9 of the *Vendors Manual*. The Contractor shall comply with all applicable federal, state and local laws, rules and regulations.

13.3 Anti-Discrimination

By submitting their proposals, Offerors certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair

Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and §2.2-4311 of the Virginia Public Procurement Act (VPPA), and any other applicable laws. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Code of Virginia*, § 2.2-4343.1 E).

In every contract over \$10,000, the provisions in Sections 13.3.1 and 13.3.2. below apply:

13.3.1 During the performance of this contract, the Contractor agrees as follows:

- a) The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- b) The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.
- c) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.

13.3.2 The Contractor will include the provisions of 13.3.1 above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

13.4 Ethics in Public Contracting

By submitting their proposals, Offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Offeror, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

13.5 Immigration Reform and Control Act Of 1986

By submitting their proposals, Offerors certify that they do not and will not during the performance of this contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.

13.6 Debarment Status

By submitting their proposals, Offerors certify that they are not currently debarred by the Commonwealth of Virginia or any other federal, state or local government from submitting bids or proposals on any type of contract, nor are they an agent of any person or entity that is currently so debarred.

13.7 Antitrust

By entering into a contract, the Contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said contract.

13.8 Mandatory Use of State Form and Terms and Conditions

Failure to submit a proposal on the official state form, in this case the completed and signed RFP Cover Sheet, shall be a cause for rejection of the proposal. Modification of or additions to the General Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, the Commonwealth reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a proposal.

13.9 Clarification of Terms

If any prospective Offeror has questions about the specifications or other solicitation documents, the prospective Offeror should contact Ms. Janice Holmes no later than 2:00pm, February 20, 2007. Any revisions to the solicitation will be made only by addendum issued by the buyer.

13.10 Payment

1. To Prime Contractor:
 - a. Invoices for items ordered, delivered and accepted shall be submitted by the Contractor directly to the payment address shown on the purchase order/contract. All invoices shall show the state contract number and/or purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).
 - b. Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.
 - c. All goods or services provided under this contract or purchase order, that are to be paid for with public funds, shall be billed by the Contractor at the contract price, regardless of which public agency is being billed.
 - d. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have

been instituted as authorized under the Virginia Debt Collection Act.

- e. Unreasonable Charges: Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, Contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges that appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the Contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A Contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges that are not in dispute (Code of Virginia, § 2.2-4363).

2. To Subcontractors:

- a. A Contractor awarded a contract under this solicitation is hereby obligated:
 - (1) To pay the subcontractor(s) within seven (7) days of the Contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or
 - (2) To notify the agency and the subcontractor(s), in writing, of the Contractor's intention to withhold payment and the reason.
 - b. The Contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the contract) on all amounts owed by the Contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier Contractor performing under the primary contract. A Contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.
3. Each prime Contractor who wins an award in which provision of a SWAM procurement plan is a condition to the award, shall deliver to the contracting agency or institution, on or before request for final payment, evidence and certification of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the SWAM procurement plan. Final payment under the contract in question may be withheld until such certification is delivered and, if necessary, confirmed by the agency or institution, or other appropriate penalties may be assessed in lieu of withholding such payment.

13.11 Precedence of Terms

The following General Terms and Conditions: *VENDORS MANUAL*, APPLICABLE LAWS AND COURTS, ANTI-DISCRIMINATION, ETHICS IN PUBLIC CONTRACTING, IMMIGRATION REFORM AND CONTROL ACT OF 1986, DEBARMENT STATUS, ANTITRUST, MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS, CLARIFICATION OF TERMS, PAYMENT shall apply in all instances. In the event there is a

conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

13.12 Qualifications of Offerors

The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the Offeror to perform the services/furnish the goods and the Offeror shall furnish to the Commonwealth all such information and data for this purpose as may be requested. The Commonwealth reserves the right to inspect Offeror's physical facilities prior to award to satisfy questions regarding the Offeror's capabilities. The Commonwealth further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such Offeror fails to satisfy the Commonwealth that such Offeror is properly qualified to carry out the obligations of the Contract and to provide the services and/or furnish the goods contemplated therein.

13.13 Testing And Inspection

The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to ensure goods and services conform to the specifications.

13.14 Assignment of Contract

A contract shall not be assignable by the Contractor in whole or in part without the written consent of the Commonwealth. Any assignment made in violation of this section will be void.

13.15 Changes To The Contract

Changes can be made to the contract in any of the following ways:

1. The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.
2. The Department may order changes within the general scope of the contract at any time by written notice to the Contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed or changes in programs, policies, legislation or operations. The Contractor shall comply with the notice upon receipt. The Contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Department a credit for any savings. Said compensation shall be determined by one of the following methods:
 - a. By mutual agreement between the parties in writing; or
 - b. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the Contractor accounts for the number of units of work performed, subject to the Department's right to audit the Contractor's records and/or to determine the correct number of units independently; or
 - c. By ordering the Contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The Contractor shall present the Department with all vouchers and records of expenses incurred and savings realized. The Department shall have the right to audit the records of the Contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Department within thirty (30) days from the date of receipt of the written order from the Department. If the parties fail to agree on an amount

of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia *Vendors Manual*. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the Contractor from promptly complying with the changes ordered by the Department or with the performance of the contract generally.

13.16 Default

In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the Contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies, which the Commonwealth may have.

13.17 Insurance

By signing and submitting a bid or proposal under this solicitation, the Offeror certifies that if awarded the contract, it will have the following insurance coverage at the time the contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*. The Offeror further certifies that the Contractor and any subcontractors will maintain these insurance coverage during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

MINIMUM INSURANCE COVERAGES AND LIMITS REQUIRED FOR MOST CONTRACTS:

1. Workers' Compensation: Statutory requirements and benefits: Coverage is compulsory for employers of three or more employees, to include the employer. Contractors who fail to notify the Commonwealth of increases in the number of employees that change their workers' compensation requirements under the *Code of Virginia* during the course of the contract shall be in noncompliance with the contract.
2. Employer's Liability: \$100,000.
3. Commercial General Liability: \$1,000,000 per occurrence. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and completed operations coverage. The Commonwealth of Virginia must be named as an additional insured and so endorsed on the policy.
4. Automobile Liability: \$1,000,000 per occurrence. (Only used if motor vehicle is to be used in the contract.)

13.18 Announcement Of Award

Upon the award or the announcement of the decision to award a contract over \$50,000, as a result of this solicitation, the Department will publicly post such notice on the DGS/DPS eVA web site (www.eva.state.va.us) for a minimum of 10 days.

13.19 Drug-Free Workplace

During the performance of this contract, the Contractor agrees to:

1. Provide a drug-free workplace for the Contractor's employees;
2. Post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;
3. State in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and
4. Include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, “*drug-free workplace*” means a site for the performance of work done in connection with a specific contract awarded to a Contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

13.20 Nondiscrimination of Contractors

A Bidder, Offeror, or Contractor shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the bidder or Offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific contract is not in its best interest. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

13.21 eVA Business-To-Government Vendor Registration

The eVA Internet electronic procurement solution, web site portal www.eVA.virginia.gov, streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. All bidders or offerors must register in eVA; failure to register will result in the bid/proposal being rejected.

- a. eVA Basic Vendor Registration Service: \$25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, electronic bidding, and the ability to research historical procurement data available in the eVA purchase transaction data warehouse.
- b. eVA Premium Vendor Registration Service: \$25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Premium Vendor Registration

Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments.

- c. For orders issued prior to August 16, 2006, the Vendor Transaction Fee is 1%, capped at a maximum of \$500 per order.
- d. For orders issued August 16, 2006 and after, the Vendor Transaction Fee is:
 - (i) DMBE-certified Small Businesses: 1%, capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 1%, capped at \$1,500 per order.

13.22 AVAILABILITY OF FUNDS

It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.

14 SPECIAL TERMS AND CONDITIONS

14.1 Access To Premises

The Contractor shall allow duly authorized agents or representatives of the State or Federal Government, during normal business hours, access to Contractor's and subcontractors' premises, to inspect, audit, monitor or otherwise evaluate the performance of the Contractor's and subcontractor's contractual activities and shall forthwith produce all records requested as part of such review or audit. In the event right of access is requested under this section, the Contractor and subcontractor shall, upon request, provide and make available staff to assist in the audit or inspection effort, and provide adequate space on the premises to reasonably accommodate the State or Federal personnel conducting the audit or inspection effort. All inspections or audits shall be conducted in a manner as will not unduly interfere with the performance of Contractor or subcontractor's activities. The Contractor will be given thirty (30) calendar days to respond to any preliminary findings of an audit before the Department shall finalize its findings. All information so obtained will be accorded confidential treatment as provided under applicable law.

The Department, the Office of the Attorney General of the Commonwealth of Virginia, the federal Department of Health and Human Services, and/or their duly authorized representatives shall be allowed access to evaluate through inspection or other means, the quality, appropriateness, and timeliness of services performed under this Contract.

14.2 Access To and Retention of Records

In addition to the requirements outlined below, the Contractor must comply, and must require compliance by its subcontractors with the security and confidentiality of records standards.

14.3 Access to Records

The Department, its duly authorized representatives and State and Federal auditors shall have access to any books, fee schedules, documents, papers, and records of the Contractor and any of its subcontractors.

The Department, or its duly authorized representatives, shall be allowed to inspect, copy, and audit any of the above documents, including, medical and/or financial records of the Contractor and its subcontractors.

14.4 Retention of Records

The Contractor shall retain all records and reports relating to this Contract for a period of six (6) years after final payment is made under this Contract or in the event that this Contract is renewed six (6) years after the renewal date. When an audit, litigation, or other action involving records is initiated prior to the end of said period, however, records shall be maintained for a period of six (6) years following resolution of such action or longer if such action is still ongoing. Copies on microfilm or other appropriate media of the documents contemplated herein may be substituted for the originals provided that the microfilming or other duplicating procedures are reliable and are supported by an effective retrieval system which meets legal requirements to support litigation, and to be admissible into evidence in any court of law.

14.5 Advertising

In the event a contract is awarded for services resulting from this proposal, no indication of such sales or services to DMAS will be used in product literature or advertising without prior written permission from DMAS. The Contractor shall not state in any of its advertising or product literature that the Commonwealth of Virginia or any agency or institution of the Commonwealth has purchased or uses its products or services without prior written permission from DMAS. DMAS must approve any advertising, marketing or press release connected with this contract.

14.6 Audit

The Contractor shall retain all books, records, and other documents relative to this contract for six (6) years after final payment, or longer if audited by the Commonwealth of Virginia, whichever is sooner. The agency, its authorized agents (to include the Office of Comprehensive Services), and/or state auditors shall have full access to and the right to examine any of said materials during said period.

14.7 Award

Selection shall be made of two or more offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposals, including price, if so stated in the Request for Proposals. Negotiations shall be conducted with the offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each offeror so selected, the agency shall select the offeror which, in its opinion, has made the best proposal, and shall award the contract to that offeror. The Commonwealth may cancel this Request for Proposals or reject proposals at any time prior to an award, and is not required to furnish a statement of the reasons why a particular proposal was not deemed to be the most advantageous (*Code of Virginia*, § 2.2-4359D). Should the Commonwealth determine in writing and in its sole discretion that only one

offeror is fully qualified, or that one offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that offeror. The award document will be a contract incorporating by reference all the requirements, terms and conditions of the solicitation and the contractor's proposal as negotiated.

BEST AND FINAL OFFER (BAFO): At the conclusion of negotiations, the offeror(s) may be asked to submit in writing, a Best And Final Offer (BAFO). After the BAFO is submitted, no further negotiations shall be conducted with the offeror(s). The offeror's proposal will be rescored to combine and include the information contained in the BAFO. The decision to award will be based on the final evaluation including the BAFO.

14.8 Cancellation of Contract

The Department reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 90 days written notice to the Contractor. Any contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding services issued prior to the effective date of cancellation.

14.8.1 Termination

This Contract may be terminated in whole or in part:

- a. By the Department, for convenience, with not less than ninety (90) days prior written notice, which notice shall specify the effective date of the termination,
- b. By the Department, in whole or in part, if funding from Federal, State, or other sources is withdrawn, reduced, or limited;
- c. By the Department if the Department determines that the instability of the Contractor's financial condition threatens delivery of services and continued performance of the Contractor's responsibilities; or
- d. By the Department if the Department determines that the Contractor has failed to satisfactorily perform its contracted duties and responsibilities.

Each of these conditions for contract termination is described in the following paragraphs.

14.8.2 Termination for Convenience

The Contractor may terminate this Contract with or without cause, upon 90 days written notice to the Department. In addition, the Contractor may terminate the Contract by opting out of the renewal clause.

14.8.3 Termination for Unavailable Funds

The Contractor understands and agrees that the Department shall be bound only to the extent of the funds available or which may become available for the purpose of this resulting Contract. When the Department makes a written determination that funds are not adequately appropriated or otherwise unavailable to support continuance of performance of this Contract, the Department shall, in whole or in part, cancel or terminate this Contract.

The Department's payment of funds for purposes of this Contract is subject to and conditioned upon the availability of funds for such purposes, whether Federal and/or State funds. The Department may terminate this Contract upon written notice to the Contractor at any time prior to the completion of this Contract, if, in the sole opinion of the Department, funding becomes unavailable for these services or such funds are restricted or reduced. In the event that funds are restricted or reduced, it is agreed by both parties that, at the sole discretion of the Department, this Contract may be amended. If the Contractor shall be unable or unwilling to provide covered services at reduced rates, the Contract shall be terminated.

No damages, losses, or expenses may be sought by the Contractor against the Department, if, in the sole determination of the Department, funds become unavailable before or after this Contract between the parties is executed. A determination by the Department that funds are not appropriated or are otherwise inadequate or unavailable to support the continuance of this Contract shall be final and conclusive.

14.8.4 Termination Because of Financial Instability

In the event the Contractor becomes financially unstable to the point of threatening the ability of the Department to obtain the services provided for under the Contract, ceases to conduct business in the normal course, makes a general assignment for the benefit of creditors, or suffers or permits the appointment of a receiver for its business or assets, the Department may, at its option, immediately terminate this Contract effective at the close of business on a date specified by the Department. In the event the Department elects to terminate the Contract under this provision, the Contractor shall be notified in writing, by either certified or registered mail, specifying the date of termination. The Contractor shall submit a written waiver of the licensee's rights under the Federal bankruptcy laws.

In the event of the filing of a petition in bankruptcy by a principal network provider or subcontractor, the Contractor shall immediately so advise the Department. The Contractor shall ensure that all tasks that have been delegated to its subcontractor(s) are performed in accordance with the terms of this Contract.

14.8.5 Termination for Default

The Department may terminate the Contract, in whole or in part, if the Department determines that the Contractor has failed to satisfactorily perform its duties and responsibilities under this Contract and is unable to cure such failure within a reasonable period of time as specified in writing by the Department, taking into consideration the gravity and nature of the default. Such termination shall be referred to herein as "Termination for Default."

Upon determination by the Department that the Contractor has failed to satisfactorily perform its duties and responsibilities under this Contract, the Contractor shall be notified in writing, by either certified or registered mail, of the failure and of the time period which has been established to cure such failure. If the Contractor is unable to cure the failure within the specified time period, the Department can notify the Contractor in writing within thirty (30) calendar days of the last day of the specified time period that the Contract, has been terminated in full or in part, for default. This written notice will identify all of the Contractor's responsibilities in the case of the termination, including responsibilities related to enrollee notification, network provider notification, refunds of advance payments, return or destruction of Department data and liability for medical claims.

In the event that DMAS determines that the Contractor's failure to perform its duties and responsibilities under this contract results in a substantial risk to the health and safety of Medicaid or FAMIS enrollees, DMAS may terminate this contract immediately without notice.

If, after notice of termination for default, it is determined by the Department or by a court of law that the Contractor was not in default or that the Contractor's failure to perform or make progress in performance was due to causes beyond the control of and without error or negligence on the part of the Contractor or any of its subcontractors, the notice of termination shall be deemed to have been issued as a termination for the convenience of the Department, and the rights and obligations of the parties shall be governed accordingly.

In the event of termination for default, in full or in part, as provided for under this clause, the Department may procure or contract from other sources, upon such terms and in such manner as is deemed appropriate by the Department, supplies or services similar to those terminated, and the Contractor shall be liable for any costs for such similar supplies and services and all other damages allowed by law. In addition, the Contractor shall be liable to the Department for administrative costs incurred to procure such similar supplies or services as are needed to continue operations. In the event of a termination for default prior to the start of operations, any claim the Contractor may assert shall be governed by the procedures defined by the Department for handling contract termination. Nothing herein shall be construed as limiting any other remedies that may be available to the Department.

In the event of a termination for default during ongoing operations, the Contractor shall be paid for any outstanding payments due less any assessed damages.

14.8.6 Transition Plan

The Contractor shall develop and submit, for the Department's approval, a plan to effectively transition calls, enrollee data and website information in all formats (paper, electronic, etc.) regarding the FAMIS and FAMIS MOMS program to a new Contractor, should that become necessary at notice of termination or the end of the contract period. In the event the new Contractor is not prepared to take over all facets of program operations by the implementation date, the current Contractor and the Department shall negotiate an extension of the current contract. The Contractor shall submit this transition plan to the Department no later than sixty-(60) days prior to the Contract turnover date. The Contractor shall ensure all enrollee data, stored records, scanned images and calls are successfully transitioned to the new Contractor in a manner which minimizes disruption of services to recipients and applicants.

14.9 Remedies for Violation, Breach, or Non-Performance of Contract

Upon receipt by the Department of evidence of substantial non-compliance by the Contractor with any of the provisions of this Contract or with State or federal laws or regulations the following remedies may be imposed.

14.9.1 Procedure for Contractor Noncompliance Notification

In the event that the Department identifies or learns of noncompliance with the terms of this contract, the Department will notify the Contractor in writing of the nature of the noncompliance.

The Contractor must remedy the noncompliance within a time period established by the Department and the Department will designate a period of time, not less than ten (10) calendar days, in which the Contractor must provide a written response to the notification. The Department may develop or may require the Contractor to develop procedures with which the Contractor must comply to eliminate or prevent the imposition of specific remedies.

14.9.2 Remedies Available To the Department

The Department reserves the right to employ, at the Department's sole discretion, any and all remedies available at law in equity to include but not limited to, payment withholds, liquidated damages, and/or termination of the contract.

14.10 Performance Bonds

The Contractor shall deliver to DMAS an executed performance bond in the sum of four months of the estimated annual contract amount, with DMAS as obligee. The surety shall be a surety company or companies approved by the State Corporation Commission to transact business in the Commonwealth of Virginia. No payment shall be due and payable to the Contractor, even if the contract has been performed in whole or in part, until the bond has been delivered to and approved by DMAS.

14.11 Payment

The Contractor shall be prepared to provide the full range of services requested under this RFP and resultant contract, on site and operationally ready to begin work by the implementation date established by DMAS. DMAS will provide adequate prior notice of at least 90 days of the implementation date. Upon approval of the Contractor's operational readiness and a determined start date, DMAS shall make payments as described in Section 9.3.

Each invoice submitted by the Contractor shall be subject to DMAS approval based on satisfactory performance of contracted services and compliance with all contract terms. The invoice shall contain the Federal tax identification number, the contract number and any other information subsequently required by DMAS.

14.12 Identification of Proposal Envelope

If a special envelope is not furnished, or if return in the special envelope is not possible, the signed bid/proposal should be returned in a separate envelope or package, sealed and identified as follows:

From: _____
Name of Contractor Due Date /Time

Street or Box Number City, State, Zip Code

RFP Number RFP Title

Name of Contract/Purchase Officer: _____

The envelope should be addressed as directed in Section 11.9 of this RFP.

If a proposal not contained in the special envelope is mailed, the Offeror takes the risk that the envelope, even if marked as described above, may be inadvertently opened and the information compromised which may cause the proposal to be disqualified. Proposals may be hand delivered to the designated location in the office issuing the solicitation. No other correspondence or other proposals should be placed in the envelope.

14.13 Indemnification

Contractor agrees to indemnify, defend and hold harmless the Commonwealth of Virginia, its officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from or caused by the use of any materials, goods, or equipment of any kind or nature furnished by the Contractor/any services of any kind or nature furnished by the Contractor, provided that such liability is not attributable to the sole negligence of the using agency or to failure of the using agency to use the materials, goods, or equipment in the manner already and permanently described by the Contractor on the materials, goods or equipment delivered.

14.14 Small Businesses Subcontracting and Evidence of Compliance

Each prime contractor who wins an award in which provision of a small business subcontracting plan is a condition of the award, shall deliver to the contracting agency or institution on a quarterly basis, evidence of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the small business subcontracting plan. When such business has been subcontracted to these firms and upon completion of the contract, the contractor agrees to furnish the purchasing office at a minimum the following information: name of firm, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product or service provided. Payment(s) may be withheld until compliance with the plan is received and confirmed by the agency or institution. The agency or institution reserves the right to pursue other appropriate remedies to include, but not be limited to, termination for default.

14.15 Prime Contractor Responsibilities

The Contractor shall be responsible for completely supervising and directing the work under this contract and all subcontractors that it may utilize, using its best skill and attention. Subcontractors who perform work under this contract shall be responsible to the prime Contractor. The Contractor agrees that it is as fully responsible for the acts and omissions of its subcontractors and of persons employed by it as it is for the acts and omissions of its own employees.

14.16 Renewal of Contract

This contract may be renewed by the Commonwealth for three successive one year periods, under the terms and conditions of the original contract. Price increases may be negotiated only at the time of renewal. Written notice of the Commonwealth's intention to renew shall be given approximately 90 days prior to the expiration date of each contract period.

14.17 Confidentiality of Information

By submitting a proposal, the Contractor agrees that information or data obtained by the Contractor from DMAS during the course of determining and/or preparing a response to this RFP may not be used for any other purpose than determining and/or preparing the Contractor's response. Such information or data may not be disseminated or discussed for any reasons not directly related to the determination or preparation of the Contractor's response to this RFP.

14.18 HIPAA Compliance

The Contractor shall comply, and shall ensure that any and all subcontractors comply, with all State and Federal laws and Regulations with regards to handling, processing, or using Health Care Data. This includes but is not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) regulations as it pertains to this agreement, and the Contractor shall keep abreast of the regulations. Since this is a federal law and the regulations apply to all health care information, the Contractor shall comply with the HIPAA regulations at no additional cost to DMAS. The Contractor will also be required to enter into a DMAS-supplied HIPAA Business Associate Agreement with DMAS to comply with the regulations protecting Health Care Data. A template of this Agreement is available on the DMAS Internet Site at <http://www.DMAS.virginia.gov/hpa-home.htm>.

14.19 Obligation of Contractor

By submitting a proposal, the Contractor covenants and agrees that it has satisfied itself of the conditions to be met, and fully understands its obligations, and that it will have no right to cancel its proposal or to relief of any other nature because of its misunderstanding or lack of information.

14.20 Independent Contractor

Any Contractor awarded a contract under this RFP will be considered an independent Contractor, and neither the Contractor, nor personnel employed by the Contractor, is to be considered an employee or agent of DMAS.

14.21 Ownership of Intellectual Property

All copyright and patent rights to all papers, reports, forms, materials, creations, or inventions created or developed in the performance specific to this contract shall become the sole property of the Commonwealth. DMAS shall have open access to the above. On request, the Contractor shall promptly provide an acknowledgement or assignment in a tangible form satisfactory to the Commonwealth to evidence the Commonwealth's sole ownership of specifically identified intellectual property created or developed in the performance of the contract.

14.22 Subsidiary-Parent Relationship

In the event the Offeror is a subsidiary or division of a parent organization, the Offeror must include in the proposal, a signed statement by the chief executive officer of the parent organization pledging the full resources of the parent organization to meet the responsibilities of the subsidiary organization under contract to the Department. DMAS must be notified within 10 days of any change in ownership as well as a letter explaining how the changes affect the Contractor's relationship with the Department. Any change in ownership will not relieve the

original parent of its obligation of pledging its full resources to meet the obligations of the contract with DMAS without the expressed written consent of the DMAS Director.

14.23 eVA Business-To-Government Contracts and Orders:

The solicitation/contract will result in 1 purchase order(s) with the eVA transaction fee specified below assessed for each order.

- a. For orders issued prior to August 16, 2006, the Vendor Transaction Fee is 1%, capped at a maximum of \$500 per order.
- b. For orders issued August 16, 2006 and after, the Vendor Transaction Fee is:
 - (i) DMBE-certified Small Businesses: 1%, Capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 1%, Capped at \$1,500 per order.

The eVA transaction fee will be assessed approximately 30 days after each purchase order is issued. Any adjustments (increases/decreases) will be handled through eVA change orders.

Internet electronic procurement solution, website portal www.eva.state.va.us , streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies.

Vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution and agree to comply with the following:

If this solicitation is for a term contract, failure to provide an electronic catalog (price list) or index page catalog for items awarded will be just cause for the Commonwealth to reject your bid/offer or terminate this contract for default. The format of this electronic catalog shall conform to the eVA Catalog Interchange Format (CIF) Specification that can be accessed and downloaded from www.eVA.virginia.gov. Contractors should email Catalog or Index Page information to eVA-catalog-manager@dgs.virginia.gov.

14.24 Compliance With Virginia Information Technology Accessibility Standard

The Contractor will comply with all State laws and Regulations with regards to accessibility to information technology equipment, software, networks, and web sites used by blind and visually impaired individuals. This accessibility standards are State law see § 2.2-3502 and § 2.2-3503 of The Code of Virginia. Since this is a State law and the regulations apply to accessibility to information technology equipment, software, networks, and web sites used by blind and visually impaired individuals, the Contractor will comply with the Accessibility Standards at no additional cost to DMAS. The contractor must also keep abreast of any future changes to The Virginia Code as well as any subsequent revisions to the Virginia Information Technology Standards. The current Virginia Information Technology Accessibility Standards are published on the Internet at <http://www.vita.virginia.gov/docs/websiteStandards.cfm>

14.25 Enforceability and Admissibility

Any document properly transmitted pursuant to this Contract will be deemed for all purposes (1) to be "writing" or "in writing," and (2) to constitute an "original" when printed from electronic records established and maintained in the ordinary course of business. Any document which is transmitted pursuant to the EDI terms of this Agreement will be as legally sufficient as a written, signed, paper document exchanged between the parties, notwithstanding any legal requirement that the document be in writing or signed. Documents introduced as evidence in any judicial, arbitration, mediation or administrative proceeding will be admissible to the same extent as business records maintained in written form.

14.26 MANDATORY PREBID/PREPROPOSAL CONFERENCE:

A mandatory preproposal conference will be at 10:00am, February 20, 2007 at the Department of Medical Assistance Services, 7th Floor Conference Room, 600 E. Broad Street, Richmond, VA 23219. The purpose of this conference is to allow potential bidders/offerors an opportunity to present questions and obtain clarification relative to any facet of this solicitation.

Due to the importance of all offerors having a clear understanding of the scope of work and requirements of this solicitation, attendance at this conference will be a prerequisite for submitting a proposal. Proposals will only be accepted from those offerors who are represented at this preproposal conference. Attendance at the conference will be evidenced by the representative's signature on the attendance roster. **Due to space limitations, Offerors will be limited to two representatives each**.

Bring a copy of the solicitation with you. Any changes resulting from this conference will be issued in a written addendum to the solicitation.

EXHIBIT I
ESTIMATED VOLUMES

	Average Monthly Volume	Average Annual Volume
<i>Estimated volumes based upon 2005/2006 averages</i>		
<u>Call Center Volumes</u>		
Inbound Calls Received	17,000	204,000
Outbound Calls	3,600	43,200
<u>Mailroom Volumes</u>		
Inbound Applications Mailed/Faxed	3,200	38,700
Inbound Correspondence	1,800	22,000
Inbound Electronic Applications	750	9,000
Inbound DSS Transfers	1,200	14,400
Outbound Applications	1,600	19,200
Outbound Renewal Applications	2,000	24,000
Outbound Redetermination Applications	120	1,400
FAMIS/FAMIS MOMS Confirmation Packets	1,650	19,600
Renewal/Redetermination Confirmation Packets	830	9,850
Application Deficiency Notices	1,820	21,700
Cancellation Letters	1,650	19,500
Notice of Actions (Denials)	2,150	25,600
Renewal Alert Postcards	2,000	24,000
Renewal Reminder Postcards	2,800	33,300
Application Reprint Packets	210	2,500
DMAS Co-located Outgoing Mail	1,500	17,800
Return Items Rемаiled	310	3,500
<u>Website Volumes</u>		
Annual number of visits to the FAMIS website	20,921	251,047
Average length of visit to the FAMIS website in minutes = 9:36	9:36	9:36

Exhibit II - Application
Health Insurance For Children and Pregnant Woman Application



Health Insurance for Children and Pregnant Women

This application is for Virginia's health insurance programs for children and pregnant women. FAMIS and FAMIS PLUS cover children. FAMIS MOMS and Medicaid cover pregnant women.



Step 1	Tell us who is completing the application, where you live, and where you get your mail:					Application: <input type="checkbox"/> New <input type="checkbox"/> Renewal Family ID # _____ Case Worker _____
First Name		MI	Last Name		Phone Numbers	Preferred Language (See Instructions)
					H () W () Other ()	
Address			Apt. No.	City	State	ZIP
(Street)						
(Mailing)						
Step 2		Tell us if anyone applying for health insurance is pregnant: Proof of pregnancy and due date are required. See instructions.				
First Name		MI	Last Name		Expected Due Date	
					(Month/Day/Year)	
Step 3		Tell us about all the children and pregnant women under 21 living in your home: If there are more than four children in the home, please complete steps 3 and 4 on another application (or on an Additional Child Form) and attach it to this application.				
	Child 1		Child 2		Child 3	
Child's Full Name (First, MI, Last)						
Relationship to You						
Date of Birth & Sex	month / day / year <input type="checkbox"/> M <input type="checkbox"/> F		month / day / year <input type="checkbox"/> M <input type="checkbox"/> F		month / day / year <input type="checkbox"/> M <input type="checkbox"/> F	
Child's Parent, Stepparent or Spouse Living in the Home (First, MI, Last)	<input type="checkbox"/> Mother <input type="checkbox"/> Father <input type="checkbox"/> Stepparent <input type="checkbox"/> Spouse Name: _____ (SSN) _____ Not Required		<input type="checkbox"/> Mother <input type="checkbox"/> Father <input type="checkbox"/> Stepparent <input type="checkbox"/> Spouse Name: _____ (SSN) _____ Not Required		<input type="checkbox"/> Mother <input type="checkbox"/> Father <input type="checkbox"/> Stepparent <input type="checkbox"/> Spouse Name: _____ (SSN) _____ Not Required	
	<input type="checkbox"/> Mother <input type="checkbox"/> Father <input type="checkbox"/> Stepparent <input type="checkbox"/> Spouse Name: _____ (SSN) _____ Not Required		<input type="checkbox"/> Mother <input type="checkbox"/> Father <input type="checkbox"/> Stepparent <input type="checkbox"/> Spouse Name: _____ (SSN) _____ Not Required		<input type="checkbox"/> Mother <input type="checkbox"/> Father <input type="checkbox"/> Stepparent <input type="checkbox"/> Spouse Name: _____ (SSN) _____ Not Required	
	<input type="checkbox"/> Mother <input type="checkbox"/> Father <input type="checkbox"/> Stepparent <input type="checkbox"/> Spouse Name: _____ (SSN) _____ Not Required		<input type="checkbox"/> Mother <input type="checkbox"/> Father <input type="checkbox"/> Stepparent <input type="checkbox"/> Spouse Name: _____ (SSN) _____ Not Required		<input type="checkbox"/> Mother <input type="checkbox"/> Father <input type="checkbox"/> Stepparent <input type="checkbox"/> Spouse Name: _____ (SSN) _____ Not Required	
	<input type="checkbox"/> Mother <input type="checkbox"/> Father <input type="checkbox"/> Stepparent <input type="checkbox"/> Spouse Name: _____ (SSN) _____ Not Required		<input type="checkbox"/> Mother <input type="checkbox"/> Father <input type="checkbox"/> Stepparent <input type="checkbox"/> Spouse Name: _____ (SSN) _____ Not Required		<input type="checkbox"/> Mother <input type="checkbox"/> Father <input type="checkbox"/> Stepparent <input type="checkbox"/> Spouse Name: _____ (SSN) _____ Not Required	

FAMIS 1 (Revised 08/06)

EXHIBIT II

Step 4		Tell us about the children <u>under 19</u> and pregnant women <u>under 21</u> applying for Insurance:			
	Child 1 continued	Child 2 continued	Child 3 continued	Child 4 continued	
Child's Full Name (First, MI, Last)					
Applying for Health Insurance for Child?	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO	
If you are applying for Insurance for this child, answer the questions below. If you are not applying for this child, you may go to Step 5.					
Is Child a U.S. Citizen?	<input type="checkbox"/> YES <input type="checkbox"/> NO If Yes, please provide City/County and State of Birth: _____ If No, please provide: Alien/INS #: _____ Country of Birth: _____ Date Entered U.S.: _____	<input type="checkbox"/> YES <input type="checkbox"/> NO If Yes, please provide City/County and State of Birth: _____ If No, please provide: Alien/INS #: _____ Country of Birth: _____ Date Entered U.S.: _____	<input type="checkbox"/> YES <input type="checkbox"/> NO If Yes, please provide City/County and State of Birth: _____ If No, please provide: Alien/INS #: _____ Country of Birth: _____ Date Entered U.S.: _____	<input type="checkbox"/> YES <input type="checkbox"/> NO If Yes, please provide City/County and State of Birth: _____ If No, please provide: Alien/INS #: _____ Country of Birth: _____ Date Entered U.S.: _____	
Child's SS# or date of application for SS#	(SS#) _____	(SS#) _____	(SS#) _____	(SS#) _____	
Child Attends School?	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO	
Child's Race (See codes below)	Race Code # _____ RACE CODES: 1 White; 2 Black/African American; 3 American Indian/Alaskan Native; 4 Asian; 5 Spanish American/Hispanic; 6 Native Hawaiian or Other Pacific Islander; 7 Asian & White; 8 Black/African American & White; 9 Other or Unknown; or A Asian & Black/African American	Race Code # _____	Race Code # _____	Race Code # _____	
Child's Ethnicity	Hispanic/Latino <input type="checkbox"/> YES <input type="checkbox"/> NO	Hispanic/Latino <input type="checkbox"/> YES <input type="checkbox"/> NO	Hispanic/Latino <input type="checkbox"/> YES <input type="checkbox"/> NO	Hispanic/Latino <input type="checkbox"/> YES <input type="checkbox"/> NO	
Does Child Have Health Insurance Now? (See Instructions for further explanation)	<input type="checkbox"/> YES <input type="checkbox"/> NO If Yes, please provide: Type of Policy: _____ Company Name: _____ Policy ID #: _____	<input type="checkbox"/> YES <input type="checkbox"/> NO If Yes, please provide: Type of Policy: _____ Company Name: _____ Policy ID #: _____	<input type="checkbox"/> YES <input type="checkbox"/> NO If Yes, please provide: Type of Policy: _____ Company Name: _____ Policy ID #: _____	<input type="checkbox"/> YES <input type="checkbox"/> NO If Yes, please provide: Type of Policy: _____ Company Name: _____ Policy ID #: _____	
Has Child Had Health Insurance in the Past 4 Months? (See Instructions for further explanation)	<input type="checkbox"/> YES <input type="checkbox"/> NO If Yes, please provide: Type of Policy: _____ Company Name: _____ Policy ID #: _____ Date Policy Ended: _____	<input type="checkbox"/> YES <input type="checkbox"/> NO If Yes, please provide: Type of Policy: _____ Company Name: _____ Policy ID #: _____ Date Policy Ended: _____	<input type="checkbox"/> YES <input type="checkbox"/> NO If Yes, please provide: Type of Policy: _____ Company Name: _____ Policy ID #: _____ Date Policy Ended: _____	<input type="checkbox"/> YES <input type="checkbox"/> NO If Yes, please provide: Type of Policy: _____ Company Name: _____ Policy ID #: _____ Date Policy Ended: _____	
Why Did Insurance End in the Past 4 Months? (See reasons below)	Reason# _____ Other _____	Reason# _____ Other _____	Reason# _____ Other _____	Reason# _____ Other _____	
REASONS CHILD'S HEALTH INSURANCE ENDED: (See Instructions) 1 Parent or parent changed jobs and stopped employment and no other employer contributes to the cost of family coverage. 2 Parent or parent's employer stopped contributing to the cost of family coverage and no other employer contributes to the cost of family coverage. 3 Insurance company discontinued coverage because child is uninsurable. 4 Cost of insurance exceeded 10% of monthly income (before taxes). 5 Insurance stopped/dropped by some one other than parent or stepparent living with child. 6 Stopped/dropped a COBRA policy. 7 Other.					

EXHIBIT II

Step 5 Tell us about pregnant women <u>21 and over</u> applying for Insurance: If not applying for an adult pregnant woman, you may go to Step 6.			
Full Name (First, MI, Last)		Applying for Health Insurance for a Pregnant Woman? <input type="checkbox"/> YES <input type="checkbox"/> NO	
Her Date of Birth <small>month / day / year</small>	Her Relationship to You:	Provide Full Name of Husband if Living in the Home:	
Is the Pregnant Woman a US Citizen? <input type="checkbox"/> YES <input type="checkbox"/> NO If Yes, please provide: City/County and State of Birth: _____ If No, please provide: Alien/INS # _____ Country of Birth: _____ Date Entered U.S.: _____	SS#: _____	Race: (See code below) Race Code# _____ Ethnicity: Hispanic/Latino <input type="checkbox"/> YES <input type="checkbox"/> NO	
RACE CODES: 1 White; 2 Black/African American; 3 American Indian/Alaskan Native; 4 Asian; 5 Spanish American/Hispanic; 6 Native Hawaiian or Other Pacific Islander; 7 Asian & White; 8 Black/African American & White; 9 Other or Unknown; or A Asian & Black/African American			
Does Pregnant Woman Have Health Insurance Now? <input type="checkbox"/> YES <input type="checkbox"/> NO	If Yes, please provide: Type of Policy: _____ Policy ID #: _____ Company Name: _____		
Step 6 Tell us about household income: Complete the section below for each parent, stepparent, child, pregnant woman, and spouse living in the home and receiving income. List each source of income separately. Include income from jobs, self-employment, child support, Social Security benefits, unemployment compensation, and any other income received. List all income amounts before taxes and other deductions (gross income). Do not include income received by guardians, grandparents or other relatives. If there is no family income, write "NONE" in the chart below. See instructions for explanation of all types of income that must be listed and the proof of income that must be provided.) May we have your permission to get information from all employers, if necessary, about dates of employment and earnings? <input type="checkbox"/> YES <input type="checkbox"/> NO			
Person Receiving Income	Employer's Name or Source of Income	How Often Is Income Received?	How Much Gross Income Is Received?
(First Name, MI, Last Name)	Employed by the state? <input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> Weekly <input type="checkbox"/> Twice a Month <input type="checkbox"/> Every Two Weeks <input type="checkbox"/> Monthly <input type="checkbox"/> Yearly	\$
(First Name, MI, Last Name)	Employed by the state? <input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> Weekly <input type="checkbox"/> Twice a Month <input type="checkbox"/> Every Two Weeks <input type="checkbox"/> Monthly <input type="checkbox"/> Yearly	\$
(First Name, MI, Last Name)	Employed by the state? <input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> Weekly <input type="checkbox"/> Twice a Month <input type="checkbox"/> Every Two Weeks <input type="checkbox"/> Monthly <input type="checkbox"/> Yearly	\$
(First Name, MI, Last Name)	Employed by the state? <input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> Weekly <input type="checkbox"/> Twice a Month <input type="checkbox"/> Every Two Weeks <input type="checkbox"/> Monthly <input type="checkbox"/> Yearly	\$
FAMIS Select: FAMIS offers help with private health insurance premiums through FAMIS Select. If your child is approved for FAMIS you may choose to enroll your child in a private or employer health insurance plan instead of FAMIS. FAMIS Select may help you pay for it. <input type="checkbox"/> If my child is approved for FAMIS, I would like more information about FAMIS Select.			

You are almost done. Turn the page over, complete the application, and remember to sign it.

EXHIBIT II

Step 7				
Tell us about childcare or adult daycare expenses: Do you pay someone to provide childcare or adult daycare while you work? <input type="checkbox"/> YES <input type="checkbox"/> NO				
	Person 1	Person 2	Person 3	Person 4
Full Name of person in daycare				
	How much do you pay? _____ How often? _____	How much do you pay? _____ How often? _____	How much do you pay? _____ How often? _____	How much do you pay? _____ How often? _____

Step 8	
Tell us about medical bills in the last 3 months:	
<p>If a child is eligible for FAMIS Plus, a pregnant woman is eligible for Medicaid, or a newborn is eligible for FAMIS, you may be able to get help with medical/dental services in the last 3 months. Did any child or pregnant woman you are applying for receive medical/dental services in the last 3 months?</p> <p style="text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>If Yes, list names of the children or the pregnant woman and the months in which they received medical/dental services. (Note: Dental services are only covered for children.)</p> <p>_____</p> <p>_____</p> <p>You must provide proof of household income for the months that the child or pregnant woman received medical/dental care. DO NOT SEND MEDICAL/DENTAL BILLS.</p>	

Step 9	
Tell us if you have authorized someone else to follow up on this application:	
<p>If you would like to have someone else contact us for you, please complete the following:</p> <p>I authorize (name) _____ and/or (organization name) _____</p> <p>Address _____ City _____ State _____ Zip _____</p> <p>Telephone _____</p> <p>I authorize FAMIS, the local Department of Social Services, and/or the Department of Medical Assistance Services to release information about this application to this person/organization.</p>	

Step 10	
Signature: <i>We cannot process this application unless it is signed.</i>	
<p>By signing below, I certify that I have read my Rights and Responsibilities (located on the instructions page) and agree to all the conditions and terms. I also agree that all the information I have given on this application is true and correct to the best of my knowledge and belief. I understand that the information provided on this application can be used to establish identity for children under age 16. I also understand that if I give false information, withhold information, or fail to report required changes promptly or on purpose, health insurance coverage may be denied or ended and I could be prosecuted for perjury, larceny and/or fraud.</p> <p>_____</p> <p>SIGNATURE (REQUIRED) DATE _____</p>	

EXHIBIT III – LETTERS AND MATERIALS

Item	Item Name	Format	Created By	Production Method	Produced or Supplied by	Notes
New Application Packet - FAMIS						
A-1	Address Carrier Sheet	1 page simplex	Contractor	System Generated	Contractor	Produced with name and mailing address to insert into booklet window envelope. Includes list of contents for packet
	FAMIS & FAMIS MOMS Application ¹ form - preprinted	2 page duplex	DMAS	System Generated	Contractor	Generated in English / Spanish based on applicant language preference
	Cover Letter	1 page duplex	DMAS	Copied	Contractor	Generic letter -English/ Spanish based on applicant language preference (different versions for MCO and FFS regions)
	Application Instructions - English	1 page duplex	DMAS	Printed	DMAS	Provided in English or Spanish depending on language preference
	Application Instructions - Spanish	1 page 11x17 duplex fold to 8½ x 11	DMAS	Printed	DMAS	Provided in Spanish when indicated as primary language
	MCO Selection Chart/List (for MCO localities only)	1 page duplex	DMAS	Printed	Contractor	Printed in English
	Income Verification Instruction Insert (buckslip)	duplex buckslip	DMAS	Printed	Contractor	Printed in English
	FAMIS Brochure	tri-fold	DMAS	Print Vendor	DMAS	Printed in English / Spanish - provided in primary preferred language
	FPL Income insert (buckslip) ²	simplex buckslip	DMAS	Printed	DMAS	Provided in English (yellow) or Spanish (pink) depending on language preference
	FAMIS Select insert (buckslip)	duplex buckslip	DMAS	Copied	DMAS	green paper - 1/3 page - English and Spanish
	Postage Paid Business Reply Envelope - #10		DMAS	Print Vendor	Contractor	
	Window envelope with FAMIS & FAMIS Moms logos - #11		DMAS	Print Vendor	Contractor	

EXHIBIT III - LETTERS AND MATERIALS

New Application Packet - FAMIS MOMS						
A-2	Address Carrier Sheet	1 page simplex	Contractor	System Generated	Contractor	Produced with name and mailing address to insert into booklet window envelope . Includes list of contents for packet
	FAMIS & FAMIS MOMS Application ¹ form - preprinted	2 pages duplex	DMAS	System Generated	Contractor	Generated in English / Spanish based on applicant language preference
	Cover Letter	1 page duplex	DMAS	Copied	Contractor	Generic letter -English/ Spanish based on applicant language preference (different versions for MCO and FFS regions)
	Pregnancy Verification Form	1 page simplex	DMAS	System Generated	Contractor	Printed in English
	Application Instructions - English	1 page duplex	DMAS	Printed	DMAS	Provided in English or Spanish depending on language preference
	Application Instructions - Spanish	1 page 11x17 duplex fold to 8½ x 11	DMAS	Printed	DMAS	Provided in Spanish when indicated as primary language
	MCO Selection Chart/List (for MCO localities only)	1 page duplex	DMAS	Printed	Contractor	Printed in English
	Income Verification Instruction Insert (buckslip)	duplex buckslip	DMAS	Printed	Contractor	Printed in English
	FAMIS Moms brochure	tri-fold	DMAS	Print Vendor	DMAS	Printed in English
	FPL Income insert (buckslip) ²	simplex buckslip	DMAS	Printed	DMAS	Provided in English (yellow) or Spanish (pink) depending on language preference
	Postage Paid Business Reply Envelope - #10		DMAS	Print Vendor	Contractor	
	Window envelope with FAMIS & FAMIS Moms logos - #11		DMAS	Print Vendor	Contractor	

EXHIBIT III – LETTERS AND MATERIALS

New Application Packet - FAMIS & FAMIS MOMS						
A-3	Address Carrier Sheet	1 page simplex	Contractor	System Generated	Contractor	Produced with name and mailing address to insert into booklet window envelope . Includes list of contents for packet
	FAMIS & FAMIS MOMS Application ¹ form - preprinted	2 pages duplex	DMAS	System Generated	Contractor	Generated in English / Spanish based on applicant language preference
	Cover Letter	1 page duplex	DMAS	Copied	Contractor	Generic letter -English/ Spanish based on applicant language preference (different versions for MCO and FFS regions)
	Pregnancy Verification Form	1 page simplex	DMAS	System Generated	Contractor	Printed in English
	Application Instructions - English	1 page duplex	DMAS	Printed	DMAS	Provided in English or Spanish depending on language preference
	Application Instructions - Spanish	1 page 11x17 duplex fold to 8½ x 11	DMAS	Printed	DMAS	Provided in Spanish when indicated as primary language
	MCO Selection Chart/List (for MCO localities only)	1 page duplex	DMAS	Printed	Contractor	Printed in English
	Income Verification Instruction Insert (buckslip)	duplex buckslip	DMAS	Printed	Contractor	Printed in English
	FAMIS Brochure and FAMIS MOMS ³ brochure	tri-fold	DMAS	Print Vendor	DMAS	Printed in English (if pregnant woman only, will have FAMIS MOMS brochure. If children only, will have FAMIS brochure. If both pregnant woman & children, will include both brochures)
	FPL Income insert (buckslip) ²	simplex buckslip	DMAS	Printed	DMAS	Provided in English (yellow) or Spanish (pink) depending on language preference
	FAMIS Select insert (buckslip)	simplex buckslip	DMAS	Copied	DMAS	green paper - 1/3 page - English only
	Postage Paid Business Reply Envelope - #10		DMAS	Print Vendor	Contractor	
	Window envelope with FAMIS & FAMIS MOMS logos - #11		DMAS	Print Vendor	Contractor	

EXHIBIT III – LETTERS AND MATERIALS

Redetermination Application Packet - FAMIS						
C-1	Redetermination Letter	1 page duplex	DMAS	System Generated	Contractor	Personalized - English/Spanish based on applicant language preference
	FAMIS & FAMIS MOMS Application ¹ form - preprinted	2 pages duplex	DMAS	System Generated	Contractor	Generated in English/ Spanish based on applicant language preference
	Application Instructions - English	1 page duplex	DMAS	Printed	DMAS	Provided in English or Spanish depending on language preference
	Application Instructions - Spanish	1 page 11x17 duplex fold to 8½ x 11	DMAS	Printed	DMAS	Provided in Spanish when indicated as primary language
	FAMIS Select insert (buckslip)	simplex buckslip	DMAS	Copied	DMAS	green paper - 1/3 page - English only
	Income Verification Instruction Insert (buckslip)	duplex buckslip	DMAS	Printed	Contractor	Printed in English
	Postage Paid Business Reply Envelope - #10		DMAS	Print Vendor	Contractor	
	Window envelope with FAMIS & FAMIS MOMS logos - #11		DMAS	Print Vendor	Contractor	
Redetermination Application Packet- FAMIS MOMS						
C-2	Redetermination Letter	1 page duplex	DMAS	System Generated	Contractor	Personalized - English/Spanish based on applicant language preference
	FAMIS & FAMIS MOMS Application ¹ form - preprinted	2 pages duplex	DMAS	System Generated	Contractor	Generated in English/ Spanish based on applicant language preference
	Application Instructions - English	1 page duplex	DMAS	Printed	DMAS	Provided in English or Spanish depending on language preference
	Application Instructions - Spanish	1 page 11x17 duplex fold to 8½ x 11	DMAS	Printed	DMAS	Provided in Spanish when indicated as primary language
	Income Verification Instruction Insert (buckslip)	duplex buckslip	DMAS	Printed	Contractor	Printed in English
	Postage Paid Business Reply Envelope - #10		DMAS	Print Vendor	Contractor	
	Window envelope with FAMIS & FAMIS MOMS logos - #11		DMAS	Print Vendor	Contractor	

EXHIBIT III – LETTERS AND MATERIALS

Confirmation Packet - FAMIS							
D-1	Confirmation Letter	1 page duplex	DMAS	System Generated	Contractor	Personalized - English/Spanish based on applicant language preference	
	FAMIS Handbook	Multipage duplex - stapled/bound	DMAS	Print Vendor	DMAS	Provided in English or Spanish depending on language preference	
	MCO Selection Chart/List (for MCO localities only)	1 page duplex	DMAS	Printed	Contractor	Printed in English	
	Co-Pay Tracking Form (for MCO localities only)	1 page simplex	DMAS	Printed	Contractor	Printed in English	
	FAMIS Select Flyer (full page)	1 page duplex	DMAS	Copied	DMAS	English only	
	Window envelope with FAMIS & FAMIS Moms logos - Booklet (letter) size		DMAS	Print Vendor	DMAS	Large white window (specific positioned) booklet side open envelope	
Confirmation Packet - FAMIS MOMS							
D-2	Confirmation Letter	1 page duplex	DMAS	System Generated	Contractor	Personalized - English/Spanish based on applicant language preference	
	FAMIS MOMS Handbook	Multipage duplex - stapled/bound	DMAS	Print Vendor	DMAS	Provided in English or Spanish depending on language preference	
	Pregnancy Baby Book	Multipage duplex - stapled/bound	DMAS	Print Vendor	DMAS via March of Dimes	Provided in English and Spanish and inserted depending on language preference	
	MCO Selection Chart/List (for MCO localities only)	1 page duplex	DMAS	Printed	Contractor	Printed in English	
	Co-Pay Tracking Form (for MCO localities only)	1 page simplex	DMAS	Printed	Contractor	Printed in English	
	Window envelope with FAMIS & FAMIS Moms logos - Booklet (letter) size		DMAS	Print Vendor	DMAS	Large white window (specific positioned) booklet side open envelope	

EXHIBIT III – LETTERS AND MATERIALS

Confirmation Packet -FAMIS & FAMIS MOMS						
D-3	Confirmation Letter	1 page duplex	DMAS	System Generated	Contractor	Personalized - English/Spanish based on applicant language preference
	FAMIS MOMS Handbook	Multipage duplex - stapled / bound	DMAS	Print Vendor	DMAS	Provided in English or Spanish depending on language preference
	FAMIS Handbook	Multipage duplex - stapled / bound	DMAS	Print Vendor	DMAS	Provided in English or Spanish depending on language preference
	Pregnancy Baby Book	Multipage duplex - stapled/bound	DMAS	Print Vendor	DMAS via March of Dimes	Provided in English and Spanish and inserted depending on language preference
	MCO Selection Chart/List (for MCO localities only)	1 page duplex	DMAS	Printed	Contractor	Printed in English
	Co-Pay Tracking Form (for MCO localities only)	1 page simplex	DMAS	Printed	Contractor	Printed in English
	FAMIS Select Flyer (full page)	1 page duplex	DMAS	Copied	DMAS	English only
	Window envelope with FAMIS & FAMIS Moms logos - Booklet (letter) size		DMAS	Print Vendor	DMAS	Large white window (specific positioned) booklet side open envelope
Renewal Confirmation Packet - FAMIS						
E	Confirmation Letter	1 page duplex	DMAS	System Generated	Contractor	Personalized - English/Spanish based on applicant language preference
	FAMIS Handbook	Multipage duplex - stapled / bound	DMAS	Print Vendor	DMAS	Provided in English or Spanish depending on language preference
	MCO Selection Chart/List (for MCO localities only)	1 page duplex	DMAS	Printed	Contractor	Printed in English
	Co-Pay Tracking Form (for MCO localities only)	1 page simplex	DMAS	Printed	Contractor	Printed in English
	FAMIS Select Flyer (full page)	1 page duplex	DMAS	Copied	DMAS	English only
	Window envelope with FAMIS & FAMIS Moms logos - Booklet (letter) size		DMAS	Print Vendor	DMAS	Large white window (specific positioned) booklet side open envelope

EXHIBIT III – LETTERS AND MATERIALS

Redetermination Confirmation Packet						
F	Confirmation Letter	1 page duplex	DMAS	System Generated	Contractor	Personalized - English/Spanish based on applicant language preference
	MCO Selection Chart/List (for MCO localities only)	1 page duplex	DMAS	Printed	Contractor	Printed in English
	Co-Pay Tracking Form (for MCO localities only)	1 page simplex	DMAS	Printed	Contractor	Printed in English
	FAMIS Select Flyer (full page)	1 page duplex	DMAS	Copied	DMAS	English only
	Window envelope with FAMIS & FAMIS MOMS logos - #11		DMAS	Print Vendor	Contractor	
Deficiency Notice						
G	Deficiency Letter	1 page duplex	DMAS	System Generated	Contractor	Personalized - English/Spanish based on applicant language preference
	Postage Paid Business Reply Envelope - #10		DMAS	Print Vendor	Contractor	
	Window envelope with FAMIS & FAMIS Moms logos - #11		DMAS	Print Vendor	Contractor	
Cancellation Notice						
H	Cancellation Letter	1 page duplex	DMAS	System Generated	Contractor	Personalized - English/Spanish based on applicant language preference
	Window envelope with FAMIS & FAMIS Moms logos - #10 or #11 size		DMAS	Print Vendor	Contractor	

EXHIBIT III – LETTERS AND MATERIALS

Denial Notice						
I	Denial Letter	1 page duplex	DMAS	System Generated	Contractor	Personalized - English/Spanish based on applicant language preference
	Window envelope with FAMIS & FAMIS Moms logos - #10 or #11 size		DMAS	Print Vendor	Contractor	
Renewal Alert - Postcard #1						
J	Yellow Renewal Alert Postcard	duplex	DMAS	Print Vendor	Contractor	Card pre-printed by vendor (English). Address labeling handled during addressing function and addressed in English
Reminder Alert - Postcard #2						
K	Cherry Reminder Postcard	duplex	DMAS	Print Vendor	Contractor	Card pre-printed by vendor (English). Address labeling handled during addressing function and addressed in English

EXHIBIT III – LETTERS AND MATERIALS

Other Letters & Materials						
L	Application Reprint Cover Letters	simplex	Contractor	Copied	Contractor	English - not personalized. Sent in #11 window envelopes
M	Original Document Return Letter	simplex	Contractor	Produced from MS Word w/ name & address	Contractor	English only
N	Original Document Return - File at LDSS Letter	simplex	Contractor	Produced from MS Word w/ name & address	Contractor	English only
O	Reprinted Letter Enclosed Letter	simplex	Contractor	Produced from MS Word w/ name & address	Contractor	English only
P	Form Request Letter	simplex	Contractor	Produced from MS Word w/ name & address	Contractor	English only - cover letter for sending handbook, copay tracking sheet, MCO sheet, or app instruction pages
Q	Employer Income Verification Form	simplex	DMAS	Copied	Contractor	Printed in English only & callers are typically directed to website to download and print.
R	FAMIS Select Application	duplex	DMAS	Available on Website Currently	Self-service or DMAS	
S	FAMIS Select Brochure	tri-fold	DMAS	Print Vendor	DMAS	English only. Will be mailed to applicants upon request. Callers are typically directed to DMAS or can print from website

EXHIBIT IV – FAMIS REPORTS

Table 1 identifies the reports currently provided to the Department by the Contractor.	
Required Reports	Production Frequency
CALL CENTER:	
1) Activity Summary and Detail Report	Monthly (including year to date), Quarterly, Annually
Quick Calls	
Outreach Survey Information	At the direction of the Department, the Contractor shall provide the Outreach Survey Information on a weekly basis to assist the Department in monitoring special initiatives
Case Activity	
-	
2) Help-line Activity Report	Weekly, Monthly (including year to date), Quarterly, Annually
· ACD report information on daily aggregate performance and call volumes.	
3) Mail Room Activity Report	Weekly, Monthly (including year to date), Quarterly, Annually
· Daily inbound and outbound volumes by document type.	
4) Complaint Report	Weekly, Monthly (including year to date), Quarterly, Annually
· Date of complaint	
· Family ID	
· Name of staff taking the call	
· Description of the complaint	
· Name of staff person assigned to resolve complaint	
· Date resolved	
· Description of resolution	
5) Busy Hour Report	Monthly (including year to date), Quarterly, Annually, with the ability to provide daily detail upon request
· Chart of call volumes received and abandoned by hour	
6) Language Line Utilization	Monthly (including year to date), Quarterly, Annually

EXHIBIT IV – FAMIS REPORTS

Required Reports	Production Frequency
Eligibility	
1) Weekly Production Report (FAMIS Weekly Report)	Weekly
# applications reviewed (Week, Month to date, Prior month)	
New applications	
Re-applications	
Renewal applications	
Re-determination applications	
# DSS case transfers processed (Week, Month to date, Prior month)	
New applications	
Re-applications	
Renewal applications	
Re-determination applications	
# each type of application approved, denied, referred to FAMIS Plus and Medicaid PW, and determined deficient.	
# of children and Pregnant Women approved, denied, referred to FAMIS Plus, and determined deficient by application type.	
# Applications Pending	
# Children and Pregnant Women applied for on pending applications	
# Children and Pregnant Women Denied by denial reason	
# Children and Pregnant Women Disenrolled by reason (Weekly and Current MMIS cycle)	

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2) Enrollment Caseload Report (Total Children and FAMIS MOMS Enrolled for Reporting Period By):	Monthly (including year to date), Quarterly, Annually
· Family Income category (% FPL)	
· Age	
· Gender	
· Race	
· Locality	
· Family size	
· Preferred Language	
· Expected Length of Enrollment (FAMIS MOMS only)	
3) FAMIS Applications Received Report (Total By):	Monthly (including year to date), Quarterly, Annually
· # new applications received	
· # re-applications received	
· # redetermination applications received	
· # annual renewal applications received	
· # DSS case transfers received	
# of children and Pregnant Women applied for on applications received by:	
· Family Income (% FPL)	
· Age of child	
· Gender of child	
· Race of child	
· Locality	
· Family size	
· Preferred Language	
Application source % of each type of application received by FAX and eApplication	

EXHIBIT IV – FAMIS REPORT

Required Reports	Production Frequency
Eligibility	
4) FAMIS Approved Applications Report (Total By):	Monthly (including year to date), Quarterly, Annually
· # new applications Approved	
· # re-applications Approved	
· # redetermination applications Approved	
· # annual renewal applications Approved	
· # DSS case transfers Processed	
# of children and FAMIS MOMS approved on applications processed by:	
· Family Income (% FPL)	
· Age	
· Gender	
· Race	
· Locality	
· Family size	
· Preferred Language	
5) FAMIS Denied Applications Report (Total by):	Monthly (including year to date), Quarterly, Annually
# new applications Denied	
# re-applications Denied	
# redetermination applications Denied	
# annual renewal applications Denied	
# of children and Pregnant Women Denied on applications processed by:	
· Family Income (% FPL)	
· Age	
· Gender	
· Race	
· Locality	
· Family Size	
· Preferred Language	

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6) FAMIS Cancellation Report (Total By):	Monthly (including year to date), Quarterly, Annually
# of children and FAMIS MOMS Disenrolled for reporting period and prior period by:	
· Family Income (% FPL)	
· Age	
· Gender	
· Race	
· Locality	
· Family Size	
· Preferred Language	
· Cancel Reason	

Required Reports	Production Frequency
Eligibility	
7) FAMIS and FAMIS MOMS Newborn Applications # of children born to FAMIS or FAMIS MOMS enrollees determined during the reporting period, by status: approved, denied (by reason), referred to FAMIS Plus	Monthly (including year to date), Quarterly, Annually This is a new report that will be developed and implemented by the Contractor based on a to be determined timeframe.
8) Appeals Report	Monthly
· Total # of valid Appeal requests	
· # Appeals administratively resolved prior to hearing	
· # Appeals that had a hearing	
· Appeal (Hearing) Date	
· Summary Date	
· Last Name, First Name	
· FAMIS ID	
· Category of Appeal	
· Status (Pending, Completed)	
· Decision · Outcome if remanded back or reversed	

EXHIBIT IV – FAMIS REPORTS

9) Reconciliation Activity Report	Monthly This is a new report that will be developed and implement by the Contractor based on requirements mutually agreed to by the Department and the Contractor
10) Retention Activity Report	Monthly This is a new report that will be developed and implement by the Contractor based on requirements mutually agreed to by the Department and the Contractor
CPU ADMINISTRATION:	
1) Staff Training Report	Monthly, Annually The Department and Contractor shall work together to develop the format and content of this report
2) Staffing Report New hire numbers by dept Termination numbers by dept Total FTE count by dept Total staffing by job description	Monthly, Annually
3) Customer Satisfaction Survey Results (2 Reports) Information about responses to outbound calls surveying applicant about program and CPU performance satisfaction.	Monthly This is a new report that will be developed and implement by the Contractor based on requirements mutually agreed to by the Department and the Contractor

EXHIBIT V – SYSTEM DATA ELEMENTS

FAMIS SYSTEM DATA ELEMENTS				
The following elements are required fields in the development of the FAMIS system.				
<i>This document is to be utilized as an overview of the minimum mandatory data fields required for database development. Additional fields and functionality will be needed to meet all requirements under this RFP.</i>				
	Main Headers			
	FAMIS Select Status	Application Status	Application Type	Application Date
	Family ID			
1	Tracking Screen			
	Contact Date	Application Received Date	Signed Application Received Date	Data Entry Date
	Complete Date	QA Date	Decision Date	Famis Plus Referral Date
	FAMIS Plus Referral Returned	DSS Connected Referral Date	Appeal Request Date	CMSIP Referral Date
	CMSIP Returned	Application Type	Application Number	Next Renewal Date
	Application Status (Drop Down)			
	Sub Type (Drop Down)			
2	Applicant Information Screen			
	First Name	Last Name	Current Street Address	City/State/Zip
	Mailing Address	Address log (All current/past addresses)	Home Phone Number	Work Phone Number
	Other Phone Number	Preferred language	Locality	
	Returned Mail Information			
3	Children/Pregnant Women Screen			
	Recipient FAMIS Identifier			

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	Candidate's Name	Date of Birth	Race	SSN
	Sex (Male/Female)	Relationship to Applicant	Lives in the Home?	
	CMSIP Status	Pregnant (Yes/No)		
4	Relationships Screen (Adults in the Home)			
	Child's Name	Parent Name	Relationship to Child	Lives At Home
5	Household Income			
	Name of person receiving income	Source (Employer's Name)	Type (Earned/Unearned)	
	Amount	Frequency	Date	
	No income?			
	Would you like information about FAMIS Select?			
	Do you pay someone to provide childcare while you work?			
	Do you pay someone to provide adult day care while you work?			
	Did any child or pregnant woman you are applying for receive medical/dental services in the last 3 months.			
6	Transactions-	Lists all transactions for family		
	Date	Time	Transaction Type	Application Date
	Member Name	FAMIS ID	Specialist Name	
7	Documents - (deficiency requests) - check boxes			
	Complete Date			
	Any pages of the application missing			
	Insurance information missing (Step 4)			
	Candidate information missing (Step 3 or 4)			
	Proof of Income			
	Proof of immigration status			
	Pregnancy Verification missing			
	Authorization that the applicant can apply on behalf of the candidate(s)			
	Cost of health insurance and income at the time insurance was discontinued			
	Number of children under 19, not being applied for, who are in the home.			

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	Name of mother or father and whether or not they reside in the home			
	Signature			
	Proof that the candidate's coverage was discontinued by an insurance company uninsurability			
8	Customer Service			
	Activity Date			
	Activity Time			
	Activity Type			
	Activity Sub Type			
	Contact Name			
	Specialist			
	Notes			
9	TPL	Saved other insurance information		
	Policy	Source Code	Policy Holder	Policy End Date
	Insured	Carrier	Group Name	
		Policy Type	Policy Number	Policy Begin Date
10	Release			
	<i>Authorized third party to follow-up on application</i>			
	I authorize the person or organization below to request and receive FAMIS eligibility/enrollment information.			
	First Name			
	Middle Initial			
	Last Name			
	Organization			
	Address			
	Apt Number			
	City, State Zip			
	Phone #			
11	Eligibility Determination			
	Recipient Name	Household Countable Income	FPL%	Eligible by Program
	Override capability	Ineligibility reasons		
12	Enrollment Status			
	Recipient Name	12 month enrollment period	Next Renewal Date	Coveraged end date
	Cancellation Reasons			

ATTACHMENT VI
Cost Proposal: Offeror's Cost Details For Pricing FAMIS Administrative Services

Administrative Services						
<u>Startup Costs</u>						
<u>(Detailed)</u>						
<u>Direct Costs</u>		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>		<u>TOTAL</u>
<u>Labor</u> (by Individual or staff category)						
<u>Subtotal Labor</u>						
<u>Benefits</u>						
<u>Total Labor</u>						
<u>Rent</u>						
<u>Travel</u>						
<u>Depreciation</u>						
<u>Equipment</u>						
<u>Furniture</u>						
<u>Office Supplies</u>						
<u>Software</u>						
<u>Temporary Help</u>						
<u>Recruitment</u>						
<u>Postage/Delivery</u>						
<u>Telephone/Fax</u>						
<u>Parking</u>						
<u>Systems changes (Hourly Rate)*</u>						
<u>Misc (detailed)</u>						
<u>Total Other Direct</u>						
<u>TOTAL</u>						

***Systems changes in excess of the annual 120 maintenance hours will be billed at this rate.**

Note: General and Administrative and other indirect costs must be included in the direct cost figures. (DMAS will not consider G&A or other fees as a separate line item.)

DMAS reserves the right to adjust payment to the Contractor as a result of federal or State regulatory changes, or federally approved Medicaid or SCHIP waivers for Virginia.

Cost Proposal: Offeror's Cost Details For Pricing Responsibilities to Co-located DMAS Staff

Services						
Startup Costs						
<u>(Detailed)</u>						
Direct Costs		Year 1	Year 2	Year 3		TOTAL
Labor (by Individual or staff category)						
<u>Subtotal Labor</u>						
<u>Benefits</u>						
Total Labor						
<u>Rent</u>						
<u>Travel</u>						
<u>Depreciation</u>						
<u>Equipment</u>						
<u>Furniture</u>						
<u>Office Supplies</u>						
<u>Software</u>						
<u>Temporary Help</u>						
<u>Recruitment</u>						
<u>Postage/Delivery</u>						
<u>Telephone/Fax</u>						
<u>Parking</u>						
<u>Systems changes (Hourly Rate)*</u>						
<u>Misc (detailed)</u>						
Total Other Direct						
TOTAL						

***Systems changes in excess of the annual 120 maintenance hours will be billed at this rate.**

Note: General and Administrative and other indirect costs must be included in the direct cost figures. (DMAS will not consider G&A or other fees as a separate line item.)

DMAS reserves the right to adjust payment to the Contractor as a result of federal or State regulatory changes, or federally approved Medicaid or SCHIP waivers for Virginia.

ATTACHMENT VII
References RFP 2006-02

Reference Form:

Contract Name:	
Customer name and address:	
Customer contact and title:	
Contact Phone number:	
Scope of Services of Contract:	
Contract Type (fixed price, fee for service, capitation, etc)	
Contract Size (# of clients eligible, # of clients served, etc):	
Contract Period	
Number of Contractor staff assigned to contract:	
Annual Value of Contract:	

ATTACHMENT VIII
Small Business Subcontracting Plan

Definitions

Small Business: "Small business " means an independently owned and operated business which, together with affiliates, has 250 or fewer employees, or average annual gross receipts of \$10 million or less averaged over the previous three years. Note: DMBE-certified women- and minority-owned businesses shall also be considered small businesses when they have received DMBE small business certification.

Women-Owned Business: Women-owned business means a business concern that is at least 51% owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, or in the case of a corporation, partnership or limited liability company or other entity, at least 51% of the equity ownership interest is owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, and both the management and daily business operations are controlled by one or more women who are citizens of the United States or non-citizens who are in full compliance with the United States immigration law.

Minority-Owned Business: Minority-owned business means a business concern that is at least 51% owned by one or more minority individuals or in the case of a corporation, partnership or limited liability company or other entity, at least 51% of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals and both the management and daily business operations are controlled by one or more minority individuals.

All small businesses must be certified by the Commonwealth of Virginia, Department of Minority Business Enterprise (DMBE) to participate in the SWAM program. Certification applications are available through DMBE online at www.dmbv.virginia.gov (Customer Service).

Bidder/Offeror Name: _____

Preparer Name: _____ **Date:** _____

Instructions

- A. If you are certified by the Department of Minority Business Enterprise (DMBE) as a small business, complete only Section A of this form. This shall include DMBE-certified women-owned and minority-owned businesses when they have received DMBE small business certification.

- B. If you are not certified by DMBE as a small business and plan to subcontract part of this contract with a DMBE certified business, complete only Section B of this form.
- C. If you are not certified by DMBE as a small business and cannot identify any subcontracting opportunities to subcontract part of this contract with a DMBE-certified business, only provide the information requested in Section C of this form.

Section A

If your firm is certified by the Department of Minority Business Enterprise (DMBE), are you certified as a (**check only one below**):

_____ Small Business

_____ Small and Women-owned Business

_____ Small and Minority-owned Business

Certification number: _____ Certification

Date: _____

Section B

Populate the table below to show your firm's plans for utilization of DMBE-certified small businesses in the performance of this contract. This shall include DMBE-certified women-owned and minority-owned businesses that meet the small business definition and have received the DMBE small business certification. Include plans to utilize small businesses as part of joint ventures, partnerships, subcontractors, suppliers, etc.

B. Plans for Utilization of DMBE-Certified Small Businesses for this Procurement

Small Business Name & Address DMBE Certificate #	Status if Small Business is also: Women (W), Minority (M)	Contact Person, Telephone & Email	Type of Goods and/or Services	Planned Contract Involvement	Planned Annual Contract Dollar Expenditure Amount
Totals \$					

Section C

Respond to how your business has met or exceeded at least two of the following indicators within the past 24 months. Your response may include any good faith efforts made regarding this procurement.

C. Good Faith Effort Indicators by the Bidder/Offeror

1. Identify areas of work your business has subcontracted to DMBE-certified small businesses for other contracts. Include company names, dates, dollar amounts, and percentages on a per contract basis.
2. List research efforts conducted by your business in the past to locate DMBE-certified small businesses by advertising in publications or in the classified section of the newspaper where small businesses are likely to see it. List specific publications and dates.
3. List small business outreach meetings, conferences, or workshops conducted by your firm to locate DMBE-certified small businesses—including the dates, participation numbers, and results.
4. Provide documented correspondence (i.e., certified mail, email, receipt of fax transmissions, etc.) to small businesses from the lists provided by DMBE and other outreach agencies and organizations which indicates your solicitation of such for utilization of subcontracting opportunities on other contracts for which your business has competed.
5. List areas of work which your business has subcontracted with DMBE-certified small businesses for upcoming contracts—including the name of the business, certification number, dates, dollar amounts, and percentages on a per contract basis.

6. Provide documentation of any assistance offered to interested small businesses in obtaining bonds, lines of credit, and/or insurance for any present or past contracts your business has in place.

Provide documentation of follow-up on initial contacts with DMBE-certified small businesses (e.g., telephone call logs, emails, certified letters, etc.). Be sure to list the small business name and dates of contact.